

## 11 Latin Nations Agree to Consult On Foreign Debt

Compiled by Our Staff From Dispatches

CARTAGENA, Colombia — Major Latin American governments have issued a communiqué agreeing on a permanent system of consultation on their foreign debt and inviting the major industrial countries to join them in negotiations on debts, trade and development.

Foreign and finance ministers of 11 nations, meeting here at the two-day conference, emphasized Friday that they were not setting up a cartel to withhold payments. The 11 nations include the Third World's three largest debtors — Brazil, Mexico and Argentina — and represent about \$290 billion in Latin America's estimated \$350 billion debt.

Nevertheless, they called for a new meeting at the same high level to be held in Buenos Aires before the annual meeting in September of the International Monetary Fund and the World Bank in Washington. Argentina was designated as the temporary secretariat to prepare for the next meeting of the Latin American group.

Officials in Cartagena said that, by setting up the consultative mechanism, they had raised the debt to a political matter among themselves and established an instrument to do the same with the northern industrial nations. The Latin American countries insist that the debt is no longer a technical financial matter between each nation and its creditors.

They announced that they would act jointly through the General Agreement on Trade and Tariffs. The final communiqué said that the Latin American representatives on the Development Assistance Committee of the World Bank, which also meets in September, would propose the creation of a task force.

(Continued on Page 2, Col. 4)



Thomas R. Pickering



Roberto d'Aubuisson

## U.S. Is Said to Foil Plan To Kill Salvador Envoy

By James Lemoyne  
*New York Times Service*

SAN SALVADOR — U.S. intelligence sources uncovered a plot by rightist Salvadoran extremists to kill the U.S. ambassador here last month, according to an administration official in Washington and two sources in El Salvador.

The sources said Friday that Roberto d'Aubuisson, leader of the National Republican Alliance, known as a group of party members who were said to have planned to kill the ambassador, Thomas R. Pickering.

However, administration officials with access to intelligence data from El Salvador said Saturday that Mr. d'Aubuisson was not directly involved in the plot to kill Mr. Pickering, although the plotters were associates of Mr. d'Aubuisson and he had knowledge of their plans.

The U.S. Embassy here officially refused to comment on the report. Mr. Pickering is in the United States on vacation and could not be reached for comment. Mr. d'Aubuisson could not be reached.

[On Saturday, a leader of the d'Aubuisson party denied the reports and called them a campaign by "officials and journalists who are playing the Communist game in order to discredit our party," United Press International reported.]

The National Republican Alliance party members were said to have planned to kill Mr. Pickering because they were outraged by reported CIA support for Mr. d'Aubuisson's opponents in two rounds of presidential elections in March and early May. Mr. d'Aubuisson lost the election to Jose Napoleón Duarte, head of the Christian Democratic Party, who took office earlier this month.

[On learning of the plan last month, the Reagan administration sent a special convoy, General Vernon A. Walters, to El Salvador to tell Mr. d'Aubuisson of "serious consequences" if it was carried out according to the administration of-

ficial and the sources in El Salvador.

General Walters, according to one of the sources in El Salvador, met with Mr. d'Aubuisson on May 18 at the U.S. ambassador's residence here to advise him that he had a place in Salvadoran politics as an opposition leader if he chose to take it.

While Mr. Walters, a former deputy director of the Central Intelligence Agency, warned Mr. d'Aubuisson, U.S. Embassy staff members here were told of an increased risk of attack and were asked to take special measures to safeguard their security, according to one of the sources in El Salvador.

According to one of the sources in El Salvador, a letter from Senator Jesse Helms, Republican of North Carolina, complaining of reported U.S. aid to Mr. d'Aubuisson's opponents and calling for Mr. Pickering's recall, contributed to the anger of members of the d'Aubuisson party.

On learning of the plot, President Ronald Reagan reportedly called Senator Helms to the White House and told him that he had acted irresponsibly, according to one of the sources in El Salvador.

[Mr. Helms said in an interview Sunday with a North Carolina newspaper that reports linking Mr. d'Aubuisson to the assassination plot were "absolute falsehood." The Associated Press reported, He said, "This is all a fabrication, as far as I've been able to check, by the various newspapers."

[As for the reports that Mr. Reagan had summoned him for criticism, Mr. Helms said, "That's silly journalism, because there's not a word of truth in it. Insofar as the person calling me down to the White House and chiding me,"]

## EC Officials Draft Plan For Britain Summit to Open In France Today

By Axel Krause  
*International Herald Tribune*

PONTAINEBLEAU, France — Outlines of a new compromise proposal aimed at ending the deadlock over Britain's contribution to the European Community emerged on Sunday as senior officials drafting it completed preparations for the summit meeting of EC leaders which begins here Monday afternoon.

The proposal, expected to be presented by President François Mitterrand of France, would involve concessions by Britain and its EC partners, notably West Germany, which is expected to play a key role in the two-day summit.

Meeting with reporters Sunday evening, Roland Dumas, France's minister for European affairs, said there is a "certain willingness" on the part of summit participants to find a solution.

The compromise would involve a modification, probably a reduction, in Britain's previous demand to cut its net contribution to the EC budget by 1 billion European Currency Units in 1984 and by about 1.25 billion ECUs in 1985 and 1986. The previous EC summit meeting in Brussels last March ended in deadlock over the issue, mainly because the EC leaders stuck to their offer of a 1-billion ECU reduction in Britain's contribution over a five-year period.

Several governments have indicated a willingness to increase their offer somewhat, but on the condition that Prime Minister Margaret Thatcher of Britain also display as flexibility, noting that the difference that led to the previous failure involved 250 million ECUs.

Britain currently contributes about 2 billion ECUs to the EC budget annually, ranking second as a net contributor after West Germany, which pays about 2.5 billion ECUs. Mrs. Thatcher has repeatedly argued that a "lasting" system aimed at cutting Britain's payments is justified, because the country ranks seventh among the EC countries on the basis of per capita GNP.

Knowledgeable diplomatic sources in EC capitals said that the proposal also hinges on willingness by the West German chancellor, Helmut Kohl, to agree to pay a substantially larger share of financing the cutback in British payments.

There is considerable speculation that Mr. Kohl may ask support for a controversial plan to subsidize West German farmers to offset an agricultural reform reached at the last summit. The reform involves dismantling monetary compensation amounts, or MCAs — a complex system of EC border taxes and subsidies.

Officials drafting the budget plan in Paris, Bonn and London were highly cautious in assessing the chances for success in resolving the British budget issue.

Britain's foreign secretary, Sir Geoffrey Howe, said Saturday that his government is looking for success at Fontainebleau, adding that a compromise on the budget issue is possible "if our partners are willing to reciprocate our flexibility."

Mr. Mitterrand is expected to be seeking to force summit attention on political and technological cooperation, including foreign policy and defense issues, even if the British budget issue is not resolved.

Such a sidestepping of the British question has already been criticized by West German, Dutch and EC Commission officials.

Noting that the EC treaty forbids national subsidies that would distort competition, the EC Commission last Monday refused permission for West Germany to increase subsidies as compensation for the MCA reform.



Demonstrators in central Paris protesting French government measures to give the state more control over private schools. The banner reads, "Private schools will live."

## Thousands Protest French School Reform

The Associated Press

PARIS — Hundreds of thousands of people marched through Paris Sunday in a demonstration to show their disapproval of a new measure passed by the National Assembly to reform the nation's private schools.

The opponents of the bill, which has yet to be reviewed by the Senate, believe it is an encroachment on the freedom of education and the first step toward a complete integration of France's public and private school systems.

Thousands of special riot police and gendarmes remained out of sight in buses placed around the city, leaving security to about 25,000 persons designated by the march's organizers and spread out along the street wearing orange armbands.

No violence was reported.

Many opposition political figures who had fought against the bill in Parliament joined in the march. They included Jacques Chirac, president of the neo-Gaullist Rally for the Republic; Simone Veil of the centrist Union for French Democracy; former President Valéry Giscard d'Estaing; and Jean Lecanuet, head of the Union for French Democracy.

at 850,000 by 7 P.M., before the last of the marchers had reached the dispersal point.

Departing from points in the north, west and south of Paris, four separate lines of marchers wound their way through the capital to the Place de la Bastille, cradle of the French Revolution. They dispersed as they arrived.

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## China Is Said to Tell U.S. It Will Give No New Assurances on Nuclear Aid

By Leslie H. Gelb  
*New York Times Service*

WASHINGTON — China has informed the Reagan administration privately that it will offer no additional assurances beyond its public pledges on nuclear nonproliferation, according to administration officials.

The Chinese were said to have told U.S. envoy that they had taken a "stand of principle" that the public word of Prime Minister Zhao Ziyang was at stake, and that an official put it, "Either you believe us or you don't."

Officials said Friday that the administration was trying, through quiet diplomacy, to work out some arrangement beyond these unilateral declarations. They said that failure to do so would jeopardize the Chinese-U.S. nuclear cooperation pact.

These disclosures came against the backdrop of reports of Chinese

aid for Pakistan's suspected nuclear weapons program. Administration officials and congressional sources said Thursday that the administration has evidence indicating that China might be helping Pakistan develop weapons-grade uranium.

Meanwhile, Larry M. Speakes, the White House spokesman, said Friday that the administration was "hopeful" the Chinese would satisfy U.S. concerns about nuclear proliferation and that President Ronald Reagan would ask for congressional approval of the agreement even if there was no chance for action before Congress adjourned.

But he went on to say that the pact would be submitted to Congress only after "we are satisfied there's a mutual understanding between us and the Chinese, and we're able to meet the requirements of our law." The law requires that countries seeking to buy U.S. nuclear

technology and hardware first agree to guarantees and procedures to prevent the transfer of the material and knowledge to other countries without U.S. approval.

Other administration officials said the White House and State Department were weighing whether to sidestep the issue until after the November elections or until next year. They said they doubted the Chinese could be moved on what they considered a matter of principle.

Without further guarantees from China, the officials said they felt that the pact could not pass congressional scrutiny. By law, the administration must submit nuclear cooperation pacts to Congress, which has 60 days to accept or reject them.

Mr. Reagan and Mr. Zhao initialed the agreement during the president's trip to China in April. It was touted then as the centerpiece

(Continued on Page 2, Col. 2)

(Continued on Page 2, Col. 2)

## NASA Will Fall Short of 1984 Goals

### New Shuttle Is Taking Off With a Reduced Payload

By John Noble Wilford  
*New York Times Service*

CAPE CANAVERAL, Florida — As preparations continued for the maiden flight Monday of the third U.S. space shuttle, Discovery, it was clear that no matter how successful the mission, the space program would not achieve its goals for 1984.

When the year began, the National Aeronautics and Space Administration planned 10 missions for the year. The first two took place in February and April. But officials said that because of associated rocket failures and other scheduling problems, the best they could hope for was five more missions this year.

Moreover, Discovery, set to be launched Monday morning, will be going up without one of its revenue-producing projects. Telesat of Canada withdrew its Anik communications satellite from the cargo

several months ago when NASA was unable to assure customers that the launching rocket for the satellite would be ready. Similar rockets misfired on the first flight and sent satellites into incorrect orbits.

Recent tests and two successful firings apparently have restored confidence in the small solid-fuel rockets, known as payload-assist modules. But this came too late to prepare Canada's Anik satellite for the mission. A decision must be made shortly on whether to go ahead with plans to launch two other communications satellites, both of which use the payload-assist modules on Discovery's second flight, in late August.

Without the Anik, Discovery's 60-foot-long (18-meter) cargo bay for the first flight will be only 70 percent occupied. Its primary cargo

is another communications satellite, Lusat-1, which is to be deployed on the second day of the flight. The satellite, owned by the Hughes Aircraft Co. and leased to the U.S. Navy, has its own rocket for reaching a higher working orbit, and so it does not depend on the suspect rocket system.

The six-member crew also will be responsible for tests of a mapping camera and a 105-foot-high (32-meter) solar-energy panel that will be deployed, retracted and restored several times in the seven-day mission. Such panels may be used to generate electricity for future space stations.

Officials at the Kennedy Space Center here said that preparations were proceeding smoothly toward a scheduled launching at 8:43 A.M. Monday. Rain and thunderstorms moved into the area Saturday.

(Continued on Page 2, Col. 1)



Henry W. Hartfield Jr., commander of the space shuttle Discovery, spoke to reporters while preparing for the launch Monday. Crew members are, from left: Charles D. Walker, Judith A. Resnick, Richard M. Mullane, Michael L. Coats and Steven A. Hawley.

Algeria	5.00 Dr.	Iceland	1.50	Norway	0.00 Nkr
Austria	1.00 Sh.	July	1.00 L.	Costa Rica	0.70 Col.
Bahrain	0.60 Dr.	London	450 Fr.	Cote d'Ivoire	0.00 Francs
Belgium	0.70 Dr.	Luanda	100 Fr.	Kenya	1.60 Sh.
Canada	1.00 Dr.	Madagascar	100 Fr.	Lebanon	0.00 L.
China	0.00 M.R.	Malta	100 Fr.	Lesotho	0.00 Pula
Denmark	0.00 M.R.	Montevideo	100 Fr.	Madagascar	0.00 Ariary
Egypt	0.00 M.R.	Nairobi	100 Fr.	Maldives	0.00 R.
Finland	0.00 M.R.	Paris	100 Fr.	Mali	0.00 Francs
France	0.00 M.R.	Prague	100 Fr.	Mauritania	0.00 Francs
Germany	0.00 M.R.	Rome	100 Fr.	Mauritius	0.00 Rupee
Greece	0.00 M.R.	Stockholm	100 Fr.	Mexico	0.00 Pesos
Iceland	0.00 M.R.	Tunis	100 Fr.	Morocco	0.00 Dirham
Ireland	0.00 M.R.	Vienna	100 Fr.	Mozambique	0.00 Metical
Italy	0.00 M.R.	Washington	100 Fr.	Namibia	0.00 Rand
Japan	0.00 M.R.	Yokohama	100 Fr.	Niger	0.00 Francs
Malta	0.00 M.R.	Zagreb	100 Fr.	Nigeria	0.00 Naira
Malta	0.00 M.R.	Zagreb	100 Fr.	Poland	0.0

## Lebanese Cabinet Approves Army Reorganization

New York Times Service

BEIRUT — Lebanon's cabinet has approved a sweeping reorganization of the army and other measures in an effort to end nine years of civil war. The changes were announced by Prime Minister Rashid Karami, who said that a security plan would be put into effect to reunify Beirut.

Mr. Karami said that under the plan, the Green Line that divides the city into predominantly Christian east and Moslem west sectors would be eliminated, the crossing points between the two halves would be reopened and Beirut's international airport and harbor would also be reopened.

He did not say when the plan would be put into effect.

Under the army reorganization, there will be a new commander and a six-man military council representing different religious groups.

Mr. Karami made the announcement after the plan was approved by the cabinet. Saturday during a six-hour meeting at the summer home of President Amin Gemayel in Bikfaya, a mountain resort nine

miles (14.4 kilometers) northeast of here.

The military changes have as their main objective the setting up of parity between Moslems and Christians in the military ranks.

Lebanon's previous army disintegrated during the factional fighting of the past few months. While 60 percent of its 37,000 members were Moslem, 60 percent of the senior officers and commanders were Christians.

The new army commander is General Michel Aoun, who replaces General Ibrahim Tannous. General Aoun, like General Tannous, is a Maronite Christian, but under the new defense law approved by the cabinet on Saturday he will not have the extensive powers of his predecessor.

From now on, military decisions will be made collectively by the military council. The council includes, in addition to the army commander at its head, one Sunni Moslem officer, one Shiite Moslem officer, the Druze chief of staff, a Greek Orthodox officer and a Greek Catholic officer.

termination to tighten the total blockade imposed on Kharg Island and other Iranian ports in the Gulf.

The Iraqi blockade began in February. Iraq has attacked dozens of ships in its efforts to shut off the oil revenue Iran is using to finance the war that started in September 1980.

Iraq has been accused of striking several ships near Kuwait and Saudi Arabia, apparently in retaliation for the Iraqi raids.

Iraq last launched an attack near Kharg Island on June 3, when its fighter aircraft crippled a Turkish tanker, the Buyuk Hua. The Iranians followed up on June 10 with a raid on an Kuwaiti tanker, Kazima, which was hit east of the Strait of Hormuz.

Meanwhile, the top military officials of the six countries in the Gulf Cooperation Council met Sunday in Saudi Arabia to discuss collective action against attacks on their shipping.

The council is comprised of Saudi Arabia, Kuwait, the United Arab Emirates, Bahrain, Qatar and Oman.

Qatar's minister of state for foreign affairs, Ahmad bin Sayf al-Thani, said that the Gulf countries would not accept foreign intervention for the defense of the region.

(AP, Reuters)

The cabinet includes the leaders of the warring Moslem and Christian factions. Pierre Gemayel, the head of the Christian Phalangist party and father of the president, did not attend Saturday's cabinet meeting because of what Beirut radio said was a sudden illness.

A Shiite police officer, Colonel Mustafa Nasser, has been appointed head of a new National Security Department. He will answer directly to the cabinet and not to the army commander. A Maronite Christian officer, Colonel Simon Qassis, is to remain as army chief of intelligence but his office will cover only military matters.

The interior minister, Joseph Ska, said Saturday that Christian soldiers would join army units in Moslem West Beirut while Moslem soldiers would report back to their units in Christian East Beirut.

This way it is hoped that a balance between the different religious groups will be ensured and the army will take charge of law and order in Beirut and its environs, he said.

Only Moslem soldiers remained in West Beirut after Moslem militia forces seized control of the area in February. Christian militia groups have been in virtual control of East Beirut since then, while Christian contingents of the army have been entrenched on the eastern side of the Green Line.

The military changes were a compromise between rival Lebanese factions and were worked out after a visit to Beirut on Monday by Foreign Minister Abdel Halim Khaddam of Syria.

Syria has been the main political broker in the Lebanese crisis since March, when Mr. Gemayel scrapped the troop withdrawal agreement that Lebanon concluded with Israel a year ago. The policy shift came after military gains against Mr. Gemayel and the Lebanese Army by Syrian-backed Druze and Shiite Moslem militia forces.

General Aoun, who was Mr. Gemayel's choice as army commander, has a reputation as a tough officer.

Two Moslem cabinet ministers, Nabil Berri and Walid Jumblat, promised to order their militiamen off the streets of West Beirut and

make way for the army if the security plan is applied simultaneously throughout the capital.

Mr. Berri heads the Shitate Amal movement, while Mr. Jumblat is leader of the Druze Progressive Socialist Party.

In the Christian half of the capital, the militia in control there, known as the Lebanese Forces, had already said it would not give up its positions and rejected reunifying the army along old lines.

Mr. Gemayel was reported to have promised to gain the cooperation of the Christian militia, which is dominated by his father's Phalangist party.

■ Beirut Firing Continues

Christian and Moslem militiamen battled intermittently along Beirut's dividing line Sunday, 24 hours after the announcement of the new security agreement, it was reported from Beirut by The Associated Press.

Police had no report on casualties Sunday, but said there were six wounded in overnight fighting,



Rashid Karami

raising the weekend casualty toll to four killed and 57 wounded.

A Libyan diplomat who was kidnapped by four gunmen in West Beirut on Saturday remained missing. Libyan Embassy sources said late Saturday that the diplomat was safe and alive and the issue should be resolved within 24 hours.

## WORLD BRIEFS

### Welsh Farmers Hurl Eggs at Thatcher

PORTHCAWL, Wales (UPI) — About 100 Welsh farmers protesting cuts in milk production hurled food at the party of Prime Minister Margaret Thatcher, splattering eggs on her face and dress, and about 300 wives of striking coal miners joined in the jeering, witnesses reported.

The barrage from the farmers, assembled Saturday to protest milk prices imposed by the European Community, came as Mrs. Thatcher left a Conservative Party convention, according to the Press Association.

The agency said Mrs. Thatcher, egg dripping from her clothes, appeared unharmed as she spoke briefly with party officials before being hustled into a limousine.

### Deng Rejects Advice on Hong Kong

BEIJING (AP) — China's senior leader, Deng Xiaoping, told three advisers to the Hong Kong government Saturday that they had no reason to believe China reincorporates the British colony in 1997 when it resumes its sovereignty.

Mr. Deng, chairman of the Communist Party Central Advisory Commission, also rejected a contention by members of the Hong Kong Executive Council, an advisory body appointed by the British government, that they reflected the views of residents of the colony.

"The whole tone was that Deng was telling them off," said a Hong Kong journalist who was at the meeting. Another Hong Kong journalist said the three council members, who were invited by the Beijing government, were "absolutely humiliated."

### Another Aquino Investigator Resigns

MANILA (UPI) — The president of the Philippine National Bar Association has resigned from an official investigation into the assassination of Benigno S. Aquino Jr., the opposition leader.

Raoul Gonzales, in his resignation letter, said, "I feel I can no longer continue participating in a proceeding with so much public interest at stake when I no longer believe in its credibility and its objectivity."

Mr. Gonzales was the last of three members of a panel of interrogators named to assist the five-member commission. The other two resigned earlier. The commission is scheduled to conclude its investigation in about a week.

### U.S., Nicaragua May Hold New Talks

MANAGUA (AP) — Interior Minister Tomás Borge Martínez says that Nicaraguan and U.S. representatives will hold a new meeting on Central American problems "in the next few days." The Mexican news service Notimex said the talks may take place in Mexico, possibly as early as Monday night.

Such a meeting would be the first between U.S. and Nicaraguan diplomats since Secretary of State George P. Shultz made a surprise visit to Managua on June 1. Mr. Shultz met with Daniel Ortega Saavedra, coordinator of the Sandinista junta, and they announced agreement to hold future talks at an unspecified time.

Mr. Borge said Saturday that the planned meeting could be "a public stunt meant to gain votes in the coming United States elections," but added that "the course of the conversations to be held in the next few days will clarify everything." A U.S. spokesman declined to confirm or deny that a meeting would be held soon.

### Editor Confined to West Bank Town

JERUSALEM (WP) — The Israeli military authorities ordered a Palestinian journalist confined to the West Bank city of Ramallah for six months, preventing him from taking part in a U.S. State Department-sponsored tour of the United States to observe the political system and presidential election.

The order was served Sunday on Radwan Abu Ayash, an editor of the East Jerusalem-based Palestine Press Service and the vice president of the Arab Journalists' Association in the occupied West Bank. Under the order, Mr. Abu Ayash must remain within the confines of Ramallah, his home, and report daily to the police authorities there.

Israeli military officials said the order was issued for security reasons but did not elaborate. However, a portion of the arrest order that was made public by the Palestine Press Service and confirmed by the army described Mr. Abu Ayash as a senior activist in the Palestine Liberation Organization. He denied the assertion.

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"It would be convenient to postpone beginning talks until after Nov. 6," the document quoted Cuba as having said.

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## AMERICAN TOPICS

## World's Fair Losses Laid to Attendance

The 1984 Louisiana World Exposition struggles on in an atmosphere of doom. There is speculation the fair will not stay open through its scheduled close in November. Nearly 300 fair employees have been laid off and \$15 million is being trimmed from the exposition's operating budget.

What went wrong? Observers claim the fair was underfinanced and there have been charges of mismanagement and bad marketing. But the ultimate cause is that people are staying away.

The Times-Picayune runs a daily box measuring attendance figures against the total needed for the fair to break even. At one point last week, the fair was more than 10 million visitors shy of its break-even point.

## Center to Help Find Missing Children

A center designed to help find missing or kidnapped children has opened in Washington.

The National Center for Missing and Exploited Children will act as a clearinghouse for information on the estimated 1.5 million youngsters reported missing each year.

The center is compiling a computerized directory of missing youngsters and in August it will open a toll-free line for information on missing children.

## Harlequin Books Planning Merger

Harlequin Enterprises Ltd., the Canadian-based publisher of contemporary romances, is planning to merge with its chief competitor, Silhouette Books. Romance novels have an estimated 20 million to 25 million devotees, according to industry surveys. If Harlequin's takeover bid succeeds it will wind up with more than 80 percent of all U.S. paperback romance sales.

## Californians Protest Surveillance by U-2s

A group of Californians concerned about privacy has gone to court to halt what they believe is a vital tool in the battle against marijuana growers — high altitude surveillance flights by U-2 planes.

Ten residents of Humboldt and Trinity counties contend that their civil rights, including the right to privacy, are violated by the flights. They are asking for \$10 million in punitive damages.

"In the name of marijuana eradication the government feels it can do anything it wants," said Ronald Sinoay, an attorney. "The issue is not so much what is legal and what is illegal. The issue is what is society willing to accept as legal law enforcement tools."

But if the surveillance flights are stopped, a state official said, it would have a tremendous impact on law enforcement; it would be a license to grow."

## Hoisting the Flag A Full-Time Job

Nearly every day, a crew climbs to the base of the Capitol Dome in Washington and flies American flags. Big flags and small flags. Cotton flags and nylon flags.

As many as 300 flags a day are hoisted atop three 18-foot flagpoles, held there for a few seconds, and then hauled down.

Last year that assembly-line ritual was repeated a record 83,984 times to meet the growing demand for souvenir banners that have flown over the Capitol.

## Notes on People

Representative Glenn M. Anderson, Democrat of California, used photogram records to introduce himself to 9,000 new constituents added to his district when his congressional borders were redrawn. The records were apparently a hit as Mr. Anderson won 87 percent of the vote in the recent primaries.

A South Dakota court has dismissed a \$24-million suit by Governor William J. Janklow against Peter Matthiessen, an author, and three South Dakota bookstores.

Mr. Janklow objected to statements in the book critical of him but the court held that the book had provided balance by including his denials. A Senate subcommittee has subpoenaed A. Ernest Fitzgerald, a Pentagon whistle-blower, to testify about what Senator Charles E. Grassley, Republican of Iowa, said would be "explosive" information that "reveals that the vast majority of money we put into major weapons systems is pure waste and inefficiency."

I am not asking that running mate of mine have identical views in order to qualify," he said.

Later after meeting with Mrs. Feinstein, Mr. Mondale said that women and minorities should not be held back from the vice presidency simply because they do not have experience in certain areas such as foreign policy.

In a visit to Syria last year, Mr.

## Kennedy Reportedly Will Endorse Mondale's Presidential Bid Today

## Democrats End Delegate Battle

The Associated Press

WASHINGTON — The delegate selection process for July's Democratic National Convention drew to a close Saturday, with Democrats in South Dakota winding up a state-by-state political marathon that began five months ago.

Nationwide, the selection process began Jan. 26, when

House Democrats chose 164 delegates, followed by additional selections by Senate Democrats. The first election event in a state were the Iowa caucuses, on Feb. 20, which were won by Walter F. Mondale.

The final delegate totals nationwide are 2,032.05 delegates for Mr. Mondale, 1,245.75 for Senator Gary Hart and 379.2 for the Rev. Jesse L. Jackson. A total of 202 delegates are uncommitted or pledged to other persons.

"If we're going to open doors in America, if we're going to make

advances in justice toward women in this country or toward minorities, it can't be the rule that . . . you have to have all these things that were impossible to achieve because you are a woman," he said.

On Thursday, Mr. Mondale

talked about the vice presidency with Mayor Tom Bradley of Los Angeles. Mayor Bradley was the first potential running mate to meet with Mr. Mondale, who emerged from the meeting to say he was confident the American people were ready to accept a black on the national ticket. (AP, NYT, UPI)

## Jackson to Meet Castro

The Rev. Jesse L. Jackson arrived Saturday in Panama on the first leg of a six-day Latin American trip, new agencies reported from Panama City.

Mr. Jackson also plans to visit El Salvador, Costa Rica and Nicaragua.

A prominent source in the Jackson campaign told The New York Times that President Fidel Castro of Cuba had agreed to release some political prisoners when Mr. Jackson visits Cuba this week. The source said the action was intended as a goodwill gesture.

He said Mr. Jackson was at

tempting to determine how the freed prisoners could be transported to the United States, although he said he did not know how many would be involved.

In a visit to Syria last year, Mr.

Jackson won freedom for a captured U.S. airman.

Mr. Jackson, at an airport news conference in Panama Saturday, said he would carry into Cuba a list of prisoners and would appeal for their release. A Jackson aide said there were 21 names on the list. Mr. Jackson is scheduled to hold a private meeting with Mr. Castro for several hours Monday night.

Mr. Jackson, soon after his arrival in Panama, became embroiled in the country's politics when supporters of Arnulfo Arias Madrid, the defeated candidate in last month's presidential elections, picketed the building where Mr. Jackson met for nearly an hour with President-elect Nicolas Ardito Barletta.

The demonstrators, who accused Mr. Ardito Barletta of vote fraud, also picketed Mr. Jackson's hotel and disrupted a Roman Catholic service where the black minister spoke. Mr. Jackson agreed to meet this week with the demonstrators.

■ Hispanics Urge Abstention

The nation's largest Hispanic organization has urged delegates to the Democratic National Convention to refrain from casting votes on the first nominating ballot. The Associated Press reported from El Paso, Texas.

Mario Obledo, president of the League of United Latin American Citizens, said that a boycott would signal to Democratic candidates that they have ignored Hispanic issues. The group has more than 100,000 members.

Mr. Obledo said he wanted to secure an "immediate commitment" from Mr. Mondale and Senator Gary Hart of Colorado either to ensure the defeat of the immigration reform bill passed last week by the House or to ensure an alternative measure that included amnesty for undocumented aliens "without any conditions."

The clear target of the proposed protest is Mr. Mondale, who is supported by the vast majority of the 291 Hispanic convention delegates, even though his failure to work behind the scenes to defeat the immigration measure has angered some Hispanics.

The proposal also may affect the future of the bill, which passed the House by only five votes and must return there for another vote after a House-Senate conference.

Although the first-ballot protest

was discussed with Mr. Jackson, who spoke to the group before starting his Latin America tour, Mr. Obledo said the idea originated with LULAC leaders. Mr. Jackson did not make clear whether he supported it, although he told convention delegates earlier to vote their consciences on the first ballot.

As a result, the call for a study of the problem will come before the national convention next month in San Francisco as part of the party's platform. But the Jackson proposal



The Rev. Jesse L. Jackson talked with President Jorge E. Illueca of Panama Saturday at the presidential palace on the first stop of Mr. Jackson's tour of Latin America.

## Democratic Platform Approved by Committee

By Warren Weaver Jr.

New York Times Service

WASHINGTON — The Democratic platform committee has completed a platform that includes far fewer commitments to sweeping social programs and is considerably more conservative than those adopted by the party in recent years.

In the final drafting session here Saturday, the committee defeated an attempt by supporters of the Rev. Jesse L. Jackson to put the party on record as favoring the elimination of the runoff primaries used in 10 states.

The clear target of the proposed protest is Mr. Mondale, who is supported by the vast majority of the 291 Hispanic convention delegates, even though his failure to work behind the scenes to defeat the immigration measure has angered some Hispanics.

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As a result, the call for a study of the problem will come before the national convention next month in San Francisco as part of the party's platform. But the Jackson proposal

will not be eligible for floor debate because it was defeated on a voice vote and thus did not receive the necessary 25 percent vote to qualify as a minority report.

[A spokesman for the Jackson

campaign said Saturday that it

would take its fight against runoff primaries to the floor of the convention. United Press International reported in Washington. He did not elaborate.

[Ron Walters, the spokesman, said approval of the platform had increased party unity but that "there are parts of it that disturb me greatly. It disturbs me that a Democrat can run on some of these things.]

The platform committee weakened somewhat a plank that had been proposed Friday calling for an end to financing of federal campaigns by political action committees and offering public financing to candidates who refuse to accept assistance from such committees.

Instead, the committee approved language pledging the party to "work to end financing by the political action committees."

The platform that will be submitted to the party's national convention July 17 includes fewer commitments to social programs.

There was no mention in the platform of national health insurance, which had become a standard party promise to the voters.

## Reagan Plans Added Cuts in Income Taxes

Proposal for Next Term Would Finish the Job

United Press International

WASHINGTON — President Ronald Reagan has promised in a national radio address that his administration would "finish the job we've begun" by lowering income tax rates in a second term.

Citing last week's economic statistics showing a 9.7 percent expansion in the U.S. economy in the first quarter, a 5.7 percent expansion in the second quarter and lower wholesale and retail prices, Mr. Reagan pooh-poohed "some experts" who say the U.S. economy is rising so fast it could reignite inflation and lead to higher interest rates.

The expansion, he said in the address Saturday, is in some key ways more durable than previous ones and "more people are working in America than ever before."

He said more jobs were created in May than in all the European Community countries in the past 10 years. In the past 18 months, he said, six million new jobs have been created, including three million for women, one million for blacks and 650,000 for Hispanics.

So, economic growth is stronger than before, stronger than anyone expected, and jobs are being created at record rates. But something else makes this expansion different — inflation is staying down and we mean to keep it down," he said.

Latest figures show inflation of 4.2 percent over the past 12 months, one-third the 12.4 percent figure during the last year of the Carter administration.

"This is the first time since the 1960s we have been able to enjoy strong and steady growth without high inflation," Mr. Reagan said, adding: "And that's why I'm determined to finish the job we've begun, by simplifying our tax system and broadening the base so we can bring personal income tax rates down further."

Two main proposals are under consideration in a tax reform study by the U.S. Treasury Department:

• A lower tax rate for all brackets with most of the deductions eliminated.

• A tax on a family's spending instead of its income.

Ford Confirms GOP

Former President Gerald R. Ford has warned Republicans that they should not assume that Mr. Reagan will win an easy re-election victory this November. The Denver Post reported from Beaver Creek, Colorado.

# "Mr. Polo, could you give us your opinion, concerning the countertrade activities of VAIT?"

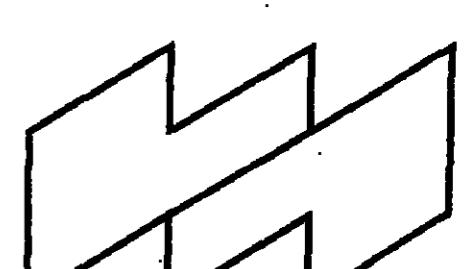
"I think I am right in saying that those who know me, would agree that my endeavours to open up new markets and extend trading links were not just a question of luck. Trading has retained much of its original nature, it still requires ideas, courage, mutual trust with one's partners and a high degree of creativity. The latter must be combined with a touch of aggressivity in order to secure the continual evolution of new methods of solving clients' problems. The VAIT experts possess these vital characteristics and have learned to be one step ahead. Take their office in Beijing for example, or their global network of contacts, I could have used something similar. VAIT has made the world smaller by bringing trading partners together, why don't you give them a call and convince yourself?"

We from VAIT don't wish to add anything except a list of our countertrading highlights:

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- barter
- project-financing and refinancing
- escrow-account programs
- buy-back
- clearing and switch
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# INTERNATIONAL HERALD TRIBUNE

Published With The New York Times and The Washington Post

## The Debts That Bind

It now seems possible that Argentina will not pay the \$350 million due its creditors before the end of this week. Will this default finally set off the global debt bomb? Probably not. American banks among the creditors may have to write down their profits or invent a new contrivance to postpone the day of reckoning. But in any case, the fundamental problem will persist.

Argentina's new government, desperately trying to build genuine democracy, pleads it cannot make painful economic adjustments as fast as is wanted by the bankers and the International Monetary Fund. To avoid public unrest, the government led by President Raúl Alfonsín says wages must rise 6 percent to 8 percent faster than the feverish inflation, now higher than 500 percent a year. Politically muscular labor unions want even fatter raises, the banks and the IMF insist on less. So, Argentina stands defiant, and the financial world is treated to yet another nerve-racking confrontation.

Still, the two sides need each other and show signs of understanding that. At their London summit meeting two weeks ago, the industrial democracies pledged more aid for developing countries on more generous terms. Also, the banks have agreed to discuss easier terms for Mexico and Brazil, the biggest debtors, as a "reward" for economic progress already made. And new federal regulations require American banks, in their earnings reports, to face up more honestly to defaults.

Argentina, in turn, last week softened its intransigence by making an interest payment that had been due in January. And 11 Latin debtors at their own summit meeting in Colombia issued a non-threatening plea for un-

derstanding, to be pressed by a joint consultative group, and backed by promises to pay their debts.

Assuming that this quarter's crisis is resolved by yet another compromise, it has again illuminated the huge dimensions of the debt problem. The Third World's massive foreign debt will not be repaid for many years, if ever. The way to get the largest portion of it repaid is through sustained economic growth that lets the debtors earn their way back to solvency. That is already happening in some countries, but the staying power of the current economic expansion is uncertain.

The economic facts of life will force the debtor nations to take politically difficult steps. The creditors, too, need to take some.

Above all, they need to restrain rising interest rates, which only make matters worse. Capping the rates for poor nations and adding the excess to the end of their loans could relieve some of the burden. Or a special IMF account could be created, through which debtors could draw when interest costs exceed a certain level. Stretching repayment schedules would also help. Just as urgently, the developing countries need markets for exports. The industrial nations simply have to resist protectionist barriers against them.

Finally, the austerity measures proposed for debtors have to be custom designed. Argentina's democracy cannot take as much pressure as Mexico's. The debt bomb has been ticking for two years while both debtors and creditors have made a lot of adjustments. Disaster will be averted if one principle is observed: The debtors need to earn their way out of hock and therefore need time and opportunities to earn.

—THE NEW YORK TIMES.

## Mitterrand in Moscow

President François Mitterrand of France mentioned the unmentionable in Moscow by raising the matter of Andrei Sakharov during a visit. His hosts rebuffed him, as he knew they would. To every inquiry about the dissenting physicist and his ailing wife, Yelena Bonner, the Soviet response has been like Konstantin Chernenko's this time: "We shall not allow anyone to interfere in our internal affairs."

But Mr. Mitterrand had to speak out. He has criticized his predecessor for rushing to meet with Leonid Brezhnev shortly after the Soviet invasion of Afghanistan. Europeans across the political spectrum are outraged by the Russians' refusal to give a decent exit to the banished Sakharov, advocates only of greater liberty. What Moscow dismisses as an internal matter is in fact an obstacle to productive diplomacy. If Mr. Mitterrand's trip finally makes that point, it could promote his larger purpose of stimulating nuclear negotiations.

It is no accident, as the Russians say, that Mr. Chernenko claims the same impious prerogative as the tsardom czars. Indeed, Nicholas II used almost the same language in rejecting Western inquiries about mistreatment of Jews and other minorities.

In 1903, thousands of Americans petitioned through their government against a particular-

ly frightful pogrom in Kishinev. As Thomas Bailey's history recounts, the Russian foreign minister refused to receive the document, saying: "The emperor, whose will was the sole law of the land, needed no information from the outside world as to conditions within his domain or advice as to how he should manage his internal affairs."

Though the argument is the same, the world is not. The czar's tyranny never claimed to guarantee human rights. And Nicholas II, unlike Mr. Brezhnev in 1975, had signed no Helsinki accords that made the signatories accountable to each other for the condition of human rights. This pertinent fact was recalled by Mr. Mitterrand, whose Socialist government includes some Communist ministers. Indeed, Georges Marchais, France's Communist leader, said his party would "break" with Moscow if anything dire happened to the Sakharovs. The Soviet press, of course, reported none of this. It found room only for Mr. Chernenko's famous comparison of Soviet benefits with Western poverty and unemployment.

That, too, has precedent. When challenged about those pogroms, Mr. Bailey writes, the Russian press scornfully reminded the United States of its ill-treatment of Negroes.

—THE NEW YORK TIMES.

## Other Opinion

### Plain Speaking in Moscow

President Mitterrand's decision to speak out firmly and unequivocally, while supping in the Kremlin, on the subject of liberty, human rights and, more particularly, Andrei Sakharov and his wife, does him great credit.

The French president is the first Western leader to hold substantive talks with Mr. Chernenko and the visit has perfectly illustrated just how hard it is to conduct a dialogue with the Kremlin. It remains to be seen whether he has managed to ease the situation of the Sakharovs, two gentle and selfless souls whose internal exile, and KGB harassment, is the punishment for speaking out for justice, peace and compassion. But by not pulling his punches, Mr. Mitterrand has reminded the Soviet leadership that its treatment of the Sakharovs, and others like them, is a test of credibility.

—The Daily Telegraph (London).

### Tough Message for NATO

Once again a few beastly American senators have dared to suggest a drawdown of U.S. forces in Europe unless our allies meet their modest pledges to NATO and start building a credible conventional defense. And once again, the political-military establishments on both sides of the Atlantic have rallied their forces to beat back this terrible heresy. The arguments for and against are hoary with age; the outcome is as predictable as a tribal ritual. But will this oft-told tale always have the same ending? Can NATO persist indefinitely to support an irrational defense strategy? Is refuge always to be sought in the status quo because

governments are too intimidated and immobilized to reform the Alliance?

If the latest Senate challenge had come from the neo-isolationists who infest the chamber, it could be dismissed. But when a man of Senator Sam Nunn's credentials leads the charge, everyone genuinely dedicated to a strong Atlantic Alliance ought to pay attention. For what Mr. Nunn embodied in his defeated amendment reflects the warnings about NATO from Henry Kissinger and others who are tough-minded about the Soviet threat.

Mr. Nunn's proposal was simple: Withdraw 90,000 of the 325,000 U.S. troops in Europe by 1990 if Western European countries continue to fall below their pledge for a real 3 percent annual growth in their military budgets.

The Alliance must move into a era of reform and rethinking if it is to remain a vital, credible organization for the defense of democratic nations. While the Nunn amendment deserved respect, its rationale deserves respect.

—The Baltimore Sun.

### European Unity Proves Elusive

Call it parochialism or nationalism, that was what the elections to the European Parliament demonstrated in such terms that many of the European leaders must now feel embarrassed.

The new composition of the parliament indicates how local were the issues that determined the electoral outcome. Voters were concerned with their domestic politics. They hardly thought of Europe while choosing their representatives.

—The Japan Times (Tokyo).

### FROM OUR JUNE 25 PAGES, 75 AND 50 YEARS AGO

#### 1909: Greece Denies Role in Crete

ATHENS — The Minister of Foreign Affairs has issued a denial to the news from a Turkish source that the Hellenic Government is giving financial assistance to the Cretans to enable them to purchase arms and ammunition. These purchases are made by the Provisory Government of Crete, with the aid of Greek patriots living abroad. It is certain at present that the evacuation of the island by the international troops will take place on July 27. Contrary to suppositions that the security of the Mussulman population of Crete would be threatened after the international troops leave, the Cretan Provisory Government will guarantee the lives of Turks in Crete.

#### 1934: Republican Assails New Deal

WASHINGTON — Representative Bertrand Snell, House Republican leader, let loose the first blast against the Democrats in the approaching congressional campaign, when he accused the administration [on June 24] of "bluffing the public," and its members of touring the country to spread political propaganda at the expense of the taxpayers. "In one instance," he charged, "is insidious propaganda, attempting to fool the public into the belief they are divorcing politics from administration of the Government, and in another, it is propaganda that the New Deal program has been whole-heartedly accepted by the American people. The facts disprove the claims."

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## Nunn's Run at NATO: A Warning to Europe

By Stephen S. Rosenfeld

WASHINGTON — Just 10 years ago this week Senator Sam Nunn established himself as a NATO heavyweight by sidetracking the Mansfield Amendment's call for unilateral cuts of American forces in Europe. Last week the Georgia Democrat put in his own, superficially similar amendment. It could be the foreign policy event of the decade.

The reason is that Mr. Nunn, by his place in a changing spectrum and by his personal stature, is the single person in a position to make happen the major revision of NATO strategy that others have only talked about, without results, all these years.

True, it is not going to happen at this precise moment. The Senate rejected the Nunn Amendment last Wednesday. But time, his purposefulness and the momentum of events seem to be clearly on his side.

Mr. Nunn is forcing three basic tests on Europe:

• Whether it will make the extra

(not extravagant) commitment to put up its share of a credible conventional defense.

• Whether it will thereby raise the point at which NATO, in the event that its conventional forces were being overrun, would have to choose between caving in or going nuclear.

• Whether it will put its relationship with the United States on a more solid basis in which Europe accepts a defense responsibility in keeping with its resources and with the demands of a mature modern alliance.

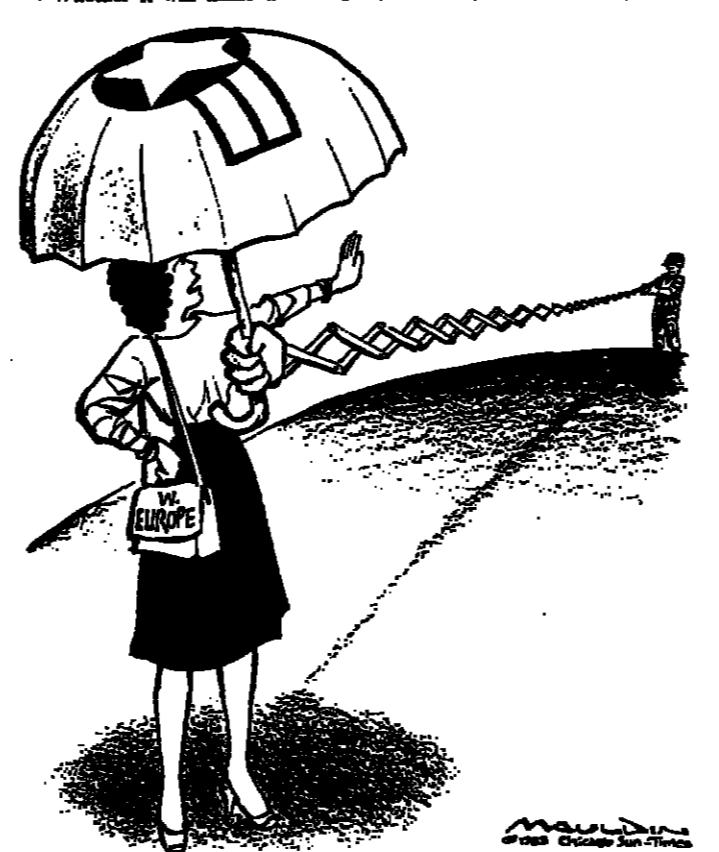
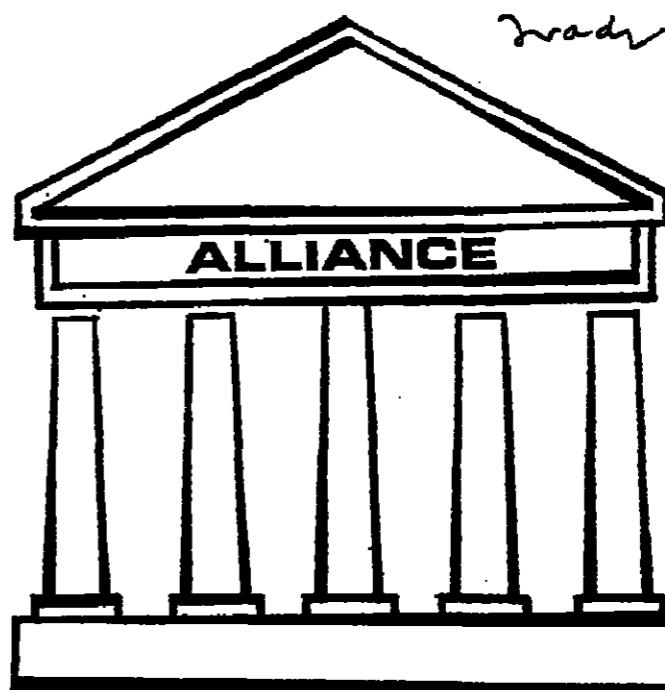
It takes a stout heart to have stuck with the debate over NATO. The tugs and pulls have served mainly to frazzle the parties. A schizophrenic Europe has felt we were going to do something, rash and nuclear and abandon the continent to the Kremlin. An increasingly irritated United States has felt that Europe was either free-loading or preparing to turn neutral. There has been much sweating over issues, like the missiles, and otherwise a fading into lofty appeals to togetherness or into impossibly grand architectural designs.

Mr. Nunn's contribution to this confused scene is to provide a place where this latter-day Archimedes can stand while he moves an awfully important piece of the Atlantic world.

Shape up in conventional defense, he says to the Europeans: Meet the agreed 3-percent annual defense hikes or increase munition stockpiles and prepare facilities for quick U.S. reinforcements, as long promised. Or, says Mr. Nunn, after two years, the United States will start shipping out up to 30,000 troops a year for three years, reducing our strength to 236,000 — still a perfectly good "trip-wire" to ensure our involvement in Soviet attack.

The "burden-sharing" part of Mr. Nunn's case tends to get the blood boiling. The United States is surpassing NATO targets, the allies drag far behind. The allies have built none of the shelters and only 20 percent of the other facilities needed for the 1,500 extra planes America would send if the bell rang. The United States is spending \$32 billion over the next five years for spare munitions; the allies are doing little or nothing.

Still, the more fundamental argument is strategic. If Moscow attacked, NATO could fight only for "days, not weeks" before going nuclear, says the NATO commander, General Bernard Rogers — hardly the credible deterrent that Europe craves. So for \$90 billion a year (30 percent of the military budget),



## Mondale's Choice for 'The Most Insignificant Office'

By James Reston

WASHINGTON — Walter Mondale, ahead on delegates but 15 points behind President Ronald Reagan, is now looking over the Democratic field for a vice-presidential candidate who might help him win the election in November.

Should he go with Gary Hart, as Mr. Reagan went with George Bush in 1980, in the hope of uniting the party? Or with a woman or a black? Or with the person he thinks best qualified to be president, in case of accident, as Jimmy Carter chose Mr. Mondale himself in 1980?

What Mr. Mondale does about this — selecting the best president-in-waiting or the best vote-getter to help him in November — will probably tell us more about Mr. Mondale than about his running-mate.

There is a view that the vice-presidential nominee makes little if any difference, especially this year, since Mr. Mondale seems to be so far behind. Theodore White remarked recently, not entirely in jest, the only woman who could help Fritz on the ticket would be Florence Nightingale or Joan of Arc.

Even so, Mr. Mondale's choice of a vice-presidential nominee will be the first indication of the quality of the people he would want in his administration if he won. And considering the disappointing record of Mr. Reagan's appointments to the cabinet, White House staff and embassies, Mr. Mondale's decisions in this period of rest and reflection, about where he is going and who is going with him, could be important.

We all know the old historic and music-hall jokes about the vice presidency, and even now they are vaguely amusing. Franklin Roosevelt picked John Nance Garner as his vice president, hoping to assure the electoral votes of Texas, and after eight years in that office, Mr. Garner concluded that the job was not "worth a pitchfork's spit."

In more elegant terms, John Adams, our first vice president, wrote that "my country has in its wisdom contrived for me the most insignificant office that ever the invention of man contrived."

Yet as Martin Wattenberg recently reminded us, in an article in Public Opinion, nine vice presidents have had to assume the daunting responsibilities of the presidency upon the death or resignation of their successors. They served 26 years as president, and four of them were then elected for four more years in the Oval Office.

In recent years, these facts have gradually changed the role of the vice presidency. Franklin Roosevelt shunned Harry Truman. Dwight Eisenhower tolerated Richard Nixon but just barely. Lyndon Johnson intimidated Hubert Humphrey and everybody else who doubted his conduct of the Vietnam war.

But there has been a switch. Mr. Carter brought Mr. Mondale into the center of executive decisions, and Mr. Reagan not only forgave Mr. Bush's opposition in the 1980 campaign, but has used him as a trusted member of his cabinet.

As a result, Mr. Reagan is now 74 and the oldest president in the history of the Republic, who has dealt with the vice-presidential question with the utmost care. And Mr. Bush, who has served in the Congress, as head of the Central Intelligence Agency, as ambassador to the United Na-

tions and to China, has not only been involved in the major decisions of the Reagan administration, but has had the good judgment to be invisible in the process.

Now it is Mr. Mondale's turn to choose, not only a vice-presidential nominee but, as a shadow cabinet to run against Mr. Reagan, and also against his cabinet and White House staff, dominated by the president's California friends. This may be Mr. Mondale's best chance.

There is little evidence so far, however, that Mr. Mondale has put his mind to the problem of ideas for the future or people who could help him define them. It is not that he

is lacking resources. He has in the universities and elsewhere a great number of talented supporters, who are troubled by Mr. Reagan's deficits at home and particularly by his blundering abroad. But Mr. Mondale has not recruited them and has yet to make a speech about the future anybody here remembers.

Looking along the Democratic Party presidential candidate line, it is already defeated — Messrs. Hart, Jackson, Glenn, Cranston, Hollings, McGovern, and Askew — not to mention such others as Senators Bentzen of Texas and Bumpers of Arkansas, among others. Mr. Mondale already has the makings of a

shadow cabinet that could match Mr. Reagan's buddy boys, which is not saying much. But Mr. Mondale is not bringing them together.

He is saying he has won but he is still talking about delegates instead of ideas, about the convention instead of the election. His choice of a vice-presidential nominee will be the first test of his judgment, but even that will not tell us whether he intends to go it alone or pick a shadow cabinet that can demonstrate that in November the people will be choosing not merely a man but an organization that looks better than Reagan's California pick-up team now running the White House and major departments.

*The New York Times*

### JIMMY CARTER

WHAT THE HECK SINCE MONDALE'S PROBABLY GOING TO LOSE ANYWAY, THE DEMOCRATS ARE GOING AGAIN, AND START WITH A CLEAR SLATE IN 1988. HE CERTAINLY COULDN'T HURT ANYTHING BY BEING A VICE PRESIDENT, IN CASE FRITZ WINS.

### MICHAEL JACKSON

THIS CHOICE PUTS A JACKSON ON THE TICKET. IT COVERS SEVERAL KEY CONSTITUENCIES WITHIN THE DEMOCRATIC PARTY. IT'S A MATCH MADE IN HEAVEN. IT'S A MATCH MADE IN HELL.

### PAUL NEWMAN

FOR CASH SALES, IF WE'RE GOT TO HAVE AN ACTOR IN THE HOUSE, HOLLOWEEN'S GOT A GOOD ONE...

## The Short and Tall of Vice Presidents

By Zick Rubin

WALTHAM, Massachusetts — In choosing a running mate, there are basically two ways a presidential nominee can go — the tall way and the short way. You select someone who is either taller — or shorter — than you are. For a nominee to

A Chor  
Of Name  
Not His

By Henry A. Kissinger

## Solving the Debt Crisis: What's Needed Is Statesmanship

**A**rgentina's refusal to negotiate on the basis of the proposals by the International Monetary Fund and its insistence on submitting its own scheme marks the beginning of the end of the manner in which the world debt crisis has been managed for the past two years. One way or another, the industrial democracies will now have to face two realities. There is no chance of any principal being repaid for a decade or more. Even interest payments will become politically unbearable unless handled as a political and not a technical economic problem.

Continued refusal to accept these facts will provoke a political confrontation between the United States and the principal Latin American debtors.

Combined with Central American conflicts, this could absorb America's energies in the Western Hemisphere, impairing U.S. traditional ties to Western Europe and important relationships in Asia. And it could undermine the bonds with Latin America which historically have been the most consistent theme of U.S. foreign policy.

A few statistics illustrate the magnitude of the problem. At the end of 1983, the major Latin American debtors — Brazil, Mexico, Argentina, Venezuela, Chile, Peru and Colombia — owed more than \$300 billion. Interest payments alone consumed more than 40 percent of all their export revenues; total debt service, even when repayment of capital was considerably stretched out, or "rescheduled" in technical language, equaled around 60 percent of earnings.

These figures will deteriorate further in the years to come. Every percentage point of U.S. interest rates costs the Latin American countries almost \$3 billion. Interest payments, already difficult to sustain, have thus been further bloated by the recent increase in U.S. rates.

Nor will the export earnings of debtors grow fast enough in the coming years to ease the debt burden significantly. Several recent studies have demonstrated that Latin American exports will grow

by less than 10 percent during the next several years. Even when extremely favorable assumptions are made, interest payments would still exceed one third of earnings. In addition, huge amounts of debt — more than \$100 billion — are supposed to be repaid during 1985-87.

These payments simply cannot be made. None of the major debtor countries will be able simultaneously to pay its debt, achieve economic growth and maintain its political and social equilibrium. When debtors have to borrow to pay even interest, we have reached the historically unprecedented and politically unsustainable condition in which developing countries are being turned into capital exporters.

This year, the Latin American countries will pay \$20 billion more in interest than they receive in net new flows.

The crisis first became apparent with respect to Mexico in 1982. Since then it has been dealt with through an almost endless series of negotiations between the IMF and a consortium of banks on the one side, and whichever debtor country faced the most immediate difficulty on the other. The IMF would lay down conditions for good economic management. The banks, together with the IMF, would assemble a financial rescue package which, in practice, rarely exceeded the amount of interest due or overdue. When these funds inevitably ran out, the emergency procedure was repeated. Nevertheless these piecemeal, essentially technical, methods have reached the limit of the politically sustainable.

**F**or the IMF was created to redress short-term imbalances of individual countries; it lacks the financial and political resources to deal with a crisis of the entire international financial system. Its remedy, in effect mandating austerity, works well when applied on a one-shot basis; it is likely to backfire politically when a score of countries are patients and the illness lasts the better part of a decade.

Between 1981 and 1983, Latin America has reduced its imports, mostly from the United States, by \$33.2 billion, or 41 percent. But in the process, we showed the debt-

even growing exports have barely kept pace with the increase in debt produced by the extraordinary phenomenon whereby debtors borrow from banks to pay interest to these same banks.

Even the most successful debtor, Mexico, projects a growth rate of barely 4 percent for 1984, the fourth year of its austerity. Since the country's rapidly growing labor force will create the need for new jobs at an even faster rate, an austerity which has already produced over 30 percent unemployed may not deepen, but neither will it ease.

In Brazil, where an approaching presidential election deprives the government of some of its authority, three presidential contenders have demanded that the debt issue be "politicized." In Argentina, the new government of President Raúl Alfonsín, the most hopeful democratic experiment in a generation, equates the intensification of austerity with political suicide, caught as it already is between the wariness of the military and the hostility of the Peronist unions. Fairly or unfairly, challenging the present system of debt management has turned into the dominant political issue in Latin America.

As a result, the bargaining position of creditors has gradually eroded in recent months. It is becoming increasingly clear that creditors are unwilling to risk default and that banks are in no position to face down governments fighting for their political survival. The rescue package for Argentina in March left no further doubt on that score. When Argentina threatened to refuse payment on the interest on its private debts, involving painful but bearable losses, our Treasury blinked. It arranged for a group of debtors (Mexico, Brazil, Colombia and Venezuela) to undertake an emergency loan to Argentina. This essentially cosmetic "rescue" operation could not hide the fact that its essential element was an implied U.S. guarantee. How could it be otherwise when the loan was undertaken by countries unable to pay their own international debt?

In the process, we showed the debt-

our inhibitions and gave our blessing, however unintentionally, to the principle of a debtors' cartel.

Nor is the present system of debt management beneficial for the economic system as a whole. If a score of countries simultaneously seek to reduce imports and expand exports, the international system becomes dangerously mercantilistic. Ironically, the effort to save free economies can result in an assault on free trade.

The frequency of the negotiations under the existing system, the prolonged uncertainty which they entail, the threat of default which is the chief bargaining weapon of the debtors, sap confidence and make the financial system highly susceptible to panic. It seems only a question of time until some major government, or more likely a group of them, will seek to impose their terms on the creditors, as Ecuador and Bolivia have already done, and more importantly, as Argentina is doing in its negotiations with the IMF.

Proponents of the present process argue that it is the sole device to force the debtors the economic adjustment without which their situation is hopeless. I agree with the diagnosis of the need for economic reform. But the remedy is both patronizing and a counsel of despair. It guarantees that each crisis will be precipitated by the least responsible of the most hardened of the debtors, tempting confrontation and a direct assault on the international banking system.

Statesmanship must be able to transcend formal theory; the time has come to bring the professed goals of the international financial system into line with political realities. The industrial democracies can take some unilateral steps to ease the debt crisis. They should adopt

economic policies which encourage economic expansion, thus promoting Latin American exports; to curb protectionism and above all, lower interest rates — the latter a largely U.S. problem. But the debt problem cannot wait until the U.S. political process permits a structural assault on the U.S. budget deficit. The governments of the industrial democracies need to abandon their current hands-off attitude toward the debt crisis.

This requires a comprehensive approach to the problem. Banks cannot continue the burden of negotiating economic reform without becoming themselves the political issue. Governments must step in to create the political conditions which would enable each party to make the sacrifices which reality will impose in any case.

In such a framework, banks must be encouraged to give up the pretense that full debt service is possible and forgo the comforts required to keep the myth alive. New mechanisms must be devised to bring the interest burden into line with the ability to pay and reschedule debt over a realistic period of time. Governments will have to establish criteria for allocating the costs of stretching out the debt between those who took on the risk and the public interest in maintaining a vital banking system. And above all, they must find ways to provide new financial resources to the developing countries, either directly or through international financial institutions.

But no matter how farsighted the governments of the industrial democracies and how responsive the banks, there is no prospect of bringing the debt problem under control unless the Latin American debtors are willing to do their part to reinvigorate growth by major efforts of economic reform: to curb inflation, to alter the disincentives to

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## LETTERS TO THE EDITOR

(Continued from Page 4)  
result from protecting its inefficient agricultural system and its archaic industrial philosophy. It, too, should properly finance and contribute to its own continental defense.

Both Japan and Western Europe need to announce in advance its willingness to cope with and to finance any necessary response to threatening crises in the Middle East commensurate with their proximity to their involvement with and their dependency upon that area.

U.S. military budgeting could be cut. Democrats could hardly refuse matching those savings in their own pet projects. The aggregate saving would allow an immediate "down payment" on the remaining projected budget deficit. This would be the good news everyone has been awaiting. Such action would speak louder than words to the Soviet leaders.

JOHN F. MURRAY,  
Villefranche-sur-Mer, France.

## A Sexist Portrait?

The June 2 feature story on Gertrude Ferraro, a potential candidate for the vice presidency, reeked of the sexism to which female politicians are uniquely subjected. Elizabeth Bumiller begins and ends with irrelevant references to a doting father, implying that Ms. Ferraro's accomplishments are a desire to please him. She finds a particular weakness in the confused reaction of an 8-year-old to the death of a parent.

Characteristics appropriate in a male candidate are distorted to sound negative. Though any politician must aspire, Ms. Ferraro is "too ambitious." A man would be praised for taking his work seriously, while Ms. Ferraro is "high-strung" and "impatient." What male counterpart is required "to mix talk of kids and recipes with politics"? In reference to her husband, why should equanimity to his spouse's success be "unmanly"?

Before we learn about Ms. Ferraro's political abilities, we must read of how often she calls her mother and husband, and of housekeeping chores done without makeup.

MARIAN VALENTINE  
and LISA M. RAU.  
Florence.

## On U.S.-Israeli Ties

Regarding three-part opinion column on U.S.-Israel Relations (June 1, 2 and 4) by Robert G. Kaiser:

This journalist is to be congratulated and thanked for clearly expressing his view of the abnormal U.S.-Israel relations. Many American taxpayers question, and begin to strongly resent the massive aid the legislative department of our government grants to the state of Israel, especially when the present government of that country pursues policies that are contradictory to basic American principles.

Mr. Kaiser's scholarly summation of this curious situation our Washington representatives are involved in, and his conclusion that it is harming both sides, echoes the thinking of ever larger numbers of both Americans and citizens of Israel as well. Not everyone wishes Israel to be the 51st state of the Union, nor to see this new edition to the family of nations remains a permanent basket case economically speaking.

## The Sakharov Affair and the Helsinki Accords

On June 16 you published Stanley Meisler's report on the press conference held by my wife, Tatiana Yankelevich, and myself, in Paris on June 14. The report, entitled "Sakharov Kin Advocate Suspending Rights Pact," misrepresents our proposal to consider suspending or denouncing the Helsinki accords.

Let me quote from our statement: "We believe the time has come to start a discussion [on the future of the Helsinki accords] regardless of the current crisis, and even if the Sakharovs are no longer alive. Since 1975, when the accords were signed, the overall human rights situation in the U.S.S.R. has been steadily deteriorating. Both the Belgrade and Madrid conferences on security and cooperation in Europe have failed to reverse the trend. Today the human rights situation in most of the specific areas covered by the Helsinki accords is much worse than it was before the accords were signed."

I do not think anyone who has monitored the human rights situation in the Soviet Union would challenge this.

Our approach to the so-called Helsinki process is a pragmatic one: The Helsinki accords were able, for a while, to restrain repressive Soviet policies. Soon, however — and partially due to the Western inability to establish incentives and punishments to enforce a minimal Soviet compliance — the accords

began to lose their deterrent value. For the last four to five years the accords have even encouraged Soviet human rights violations by demonstrating the lack of resolve on the part of the Western countries to use economic or political leverage to enforce the accords.

We believe that the prospect of denunciation or suspension of the Helsinki accords, by one or several signatories, could make the Soviet government sensitive, once again, to Western opinion on human rights policies. These prospects could be a sufficient incentive for the Soviet government to reconsider its position toward the Sakharovs.

Mr. Meisler remarked that "many Western officials" consider the accords "as the only legal basis on which they can raise an internal matter like the Sakharov case as an international issue of human rights." Either Mr. Meisler or the "Western officials" are wrong. There exist the covenants on civil, political, cultural and socio-economic rights which, unlike the Helsinki accords, are legally binding, and to which the Soviet Union is a party. Moreover, both UNESCO and the International Labor Organization have at least potentially effective procedures to enforce compliance on certain political and cultural rights.

E弗雷姆·YANKELEVICH  
Paris.

considering the fact that Americans cannot figure it out — or do not really care to — it is no wonder the English, and most of the Europe for that matter, query, distrust, and moreover, fear it. What is clear is that we are intervening.

By imposing our beliefs in "fair government" on other countries — without a clear, vested interest — we are guilty of the same injustice which we so vehemently condemn as part and parcel of the philosophy of communism in the Soviet Union. The implications are the same. It may be debatable who is leading the arms race; however, it is certain who has "intervened" in the past year.

CAROLINE H. WARNER  
Brighton, England.

To End the Gulf War

There have been many reports and articles and a number of editorials about the Iran-Iraq war. I have not seen any suggestion from any source of two actions that might quickly bring this war to a halt: A cessation of the sale of arms and spare parts for arms and a cessation of the purchase of oil from either of these countries.

If these actions were undertaken the war would soon cease. My guess is that if the two countries concerned thought that these actions would be undertaken the war would cease in a matter of days.

It is not a question of oil supplies being threatened. It is a question of lives being lost. This also applies to the crews of the tankers which have been hit from planes of both Iran and Iraq. It is time we stopped talking about these wars and did something.

SHEILA OAKES  
National Peace Council, London.

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## Expectations High, Problems Hard As Carrington Assumes NATO Post

By Paul Taylor

Reuters

BRUSSELS — Britain's Lord Carrington takes over Monday as secretary-general of the North Atlantic Treaty Organization amid great expectations, but with no shortage of intractable problems.

After 13 years in the stewardship of Joseph Luns, who even to many NATO officials seemed to lose touch in later years with the change,

## NEWS ANALYSIS

in public opinion, NATO's image badly needs a face-lift and officials believe Lord Carrington is the man.

The 65-year-old former British foreign and defense secretary starts the job at what for most people is retirement age. He brings a reputation as a skilled negotiator and a persuasive advocate of less embittered East-West relations.

But his aristocratic charm and dry wit may be sorely tried as chief executive of an alliance suffering from trans-Atlantic tensions, inadequate conventional forces and shortages of cash and manpower. "In terms of public relations, he will certainly be able to achieve very major results," another official said. "But in terms of the intractable issues of substance, the expectations may be too high."

Lord Carrington resigned from Prime Minister Margaret Thatcher's cabinet in April 1982 after Argentina's seizure of the Falkland Islands. His reputation as foreign secretary chiefly rests on his 1979 achievement of an independence settlement for Zimbabwe.

He arrives at NATO as relations between the United States and the Soviet Union are at a low ebb.

In a major lecture on East-West relations last year, which in hindsight reads like a manifesto for the Atlantic alliance, he opposed ideological "megaphone diplomacy" and said the West lacked a positive strategy toward the Soviet Union.

He also faces serious challenges in "West-West relations" — the management of differences be-



Lord Carrington

make the generals more responsive to political reality. He will also emphasize the need for more conventional defense efforts to make us less reliant on our nuclear weapons," a senior NATO official said.

Mr. Luns saved NATO through a period of severe Soviet and domestic pressure over the deployment of new U.S. medium-range nuclear missiles in Western Europe beginning last autumn.

Now that the Netherlands has conditionally accepted eventual deployment of its quota of cruise missiles, albeit delayed, many NATO officials think the anti-nuclear groups that have challenged alliance policy will gradually subside.

Deployment has begun in Britain, Italy and West Germany and seems certain next year in Belgium.

Conventional defense improvements and the battlefield use of high technology may prove as divisive for NATO as nuclear deterrence, since they require major spending and raise problems of technology-sharing and the lopsided trans-Atlantic arms trade.

West Germany and the United States, the two main contributors, are currently at loggerheads over increasing NATO's common fund for improving air bases, munitions dumps, ports and fuel pipelines.

Washington wants an infrastructure fund about two-thirds larger than Bonn is prepared to finance.

West European officials said they hoped Lord Carrington would focus allied effort on developing practical, affordable weapons rather than some of the more futuristic systems that NATO's military commanders are seeking to strike moving targets in Eastern Europe.

"We're hoping Carrington will inject a large dose of common sense above all, both on defense questions and on the broader political issues in NATO," one official said.

But officials also warn against overestimating the power of the secretary-general, noting that he has to operate within a consensus of allies as divergent as the United States and Greece.

Officials hope he will try to bridge what the U.S. ambassador to NATO, David M. Abshire, has called the "disconnect" between the political and military wings of the alliance.

The cleavage is reflected both in public skepticism of what NATO military leaders say about the "Soviet threat" and in the unpopularity of defense spending in many West European countries.

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INTERNATIONAL HERALD TRIBUNE, MONDAY, JUNE 25, 1984

## Heart Is Found to Make Hormone-Like Material Scientists Expect Find Will Improve Treatment for High Blood Pressure

By Harold M. Schmeck Jr.

New York Times Service

NEW YORK — The heart, long thought to be little more than a muscle that pumps blood, has been shown to produce biologically powerful substances that probably act as hormones.

The heart substances were discovered, identified and purified in recent months. Scientists involved in the research said they expect new and better treatments for high blood pressure and some heart and kidney conditions to result from further studies of the hormone-like chemicals.

In experiments with animals, the heart substances powerfully stimulated the kidneys to excrete salt and water. In other laboratory experiments, such substances made blood vessels relax.

The researchers said the chemicals made in the heart probably act as hormones important to the function of the kidneys and the circulatory system. A hormone is a substance produced by one organ to circulate through the body and affect distant tissues. Because the heart substances have not yet been found in the blood, the scientists said it was still premature to call them hormones.

## ■

Sikh Leader Urges Unity

The chief leader of Sikhs in the West said they must unite and persevere in their campaign for greater religious and political autonomy than that included in the Golden Temple, the Sikhs shrine in Amritsar.

The government said it would soon take bids from pilgrims to the temple to quell their fears about its condition.

The head priest, Giani Sahib Singh, urged Mrs. Gandhi to release "innocent" people arrested during the raid and television reporters, spent half an hour in the temple. She bent to touch the floor of the gold-sheathed inner sanctum with her head, made an offering of rupees and took part in a ceremony that corresponds to communion for Sikhs.

She was told that some Sikhs

scriptures had been damaged during the fighting.

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## NEW EUROBOND ISSUES

Issuer	Amount (millions)	Mot.	Coup. %	Price at offer	Yield end week	Price end week	Terms
<b>FLOATING RATE NOTES</b>							
Banca Nazionale dell'Agricoltura	\$75	1991	1/4	100	—	98.93	Over 6-month Libor. Minimum coupon 5.4%. First callable at par in 1985. Depository receipt. Commission 0.80%.
CEPME	\$200	1996	1/2	100	—	99.60	Below 6-month Libor. Minimum coupon 5.6%. 20% redeemable in each of the years 1989, 1992 and 1994, and remaining 40% redeemable at maturity. Redemption may be in dollars or sterling at a fixed exchange rate of 1.377 per sterling. \$100 million reserved now and \$100 million reserved for a 3-month swap.
<b>FIXED-COUPON</b>							
Bank of Nova Scotia	\$100	1987	13%	100	13%	98.00	Noncallable. Deposit notes.
Bank of Tokyo Holdings	\$100	1991	13%	100	13%	97.38	Noncallable.
Commerzbank Overseas Finance	\$100	1988	13%	100	13%	96.75	Noncallable. Each \$5,000 bond with 5 warrants each exercisable at par into a \$1,000 note of company's 1990s of 1991, noncallable. Warrants valued at \$175 each, making the price of the warrant 35% above par. Warrants issued the week of 9/15, with warrants of \$164.
GWAC Overseas Finance	\$200	18 mos	12 1/4	100	12 1/4	99.13	Callable at par in 1985.
Kyushu Electric Power	\$50	1989	13 1/4	100	13 1/4	99.63	Noncallable.
Mount Isa Finance	\$100	1987	13%	100	13%	97.50	Noncallable.
PKBanken	\$50	1987	13%	100	13.34	97.50	Noncallable.
Tokyo	\$50	1994	12 1/2	100	12 1/2	98.13	Noncallable.
McDonalds Finance	DM 100	1994	7 1/2	100	7 1/2	99.13	First callable at 102 in 1990.
Eurofima	ECU 40	1992	11	100	11	98.63	First callable at 101 in 1990.
Girozentrale & Bk der Oesterreichischen Sparkassen	CS 60	1991	14	100	13.94	98.00	Noncallable.
New Zealand	DF 100	1989	8 1/4	100	8 1/4	—	Noncallable private placement.
<b>EQUITY-LINKED</b>							
Elders	\$160	1994	11 1/2	93	12.38	93.13	Redeemable at par in 1987, 1988 and 1989. Convertible at a 22% premium.
Marui	\$100	1999	3 1/2	100	3 1/2	96.00	First callable at 104 in 1988. Convertible of 7,162 yen per share, a 4.85% premium.
OSG Manufacturing	\$20	1999	3 1/2	100	3 1/2	—	First callable at 103 in 1989. Convertible of 664 yen per share, a 3.95% premium. Exchange rate set at 285.85 yen per dollar.

## Eurobond Market Takes a Beating

(Continued from Page 7)  
restores that lost fee and uses it to create the trust fund.

That commission was lost in any event since Merrill obviously was sitting on a very large holding that it could not sell. The main point for Merrill is that it got this otherwise unsaleable paper off its books.

That still leaves 3% percent of the original commission intact, which amounts to about \$2.2 million. In addition, the swap of the trust's floating-rate income for fixed-rate funds is "very profitable" for Merrill, company executives report.

As a result of the swap, investors buying the new package accept not only Sweden's credit but also Merrill Lynch's. If Libor is 12.3% percent or higher, the income from the trust will definitely generate the money needed for the promised 1/4 percent additional income. (Anything over 12% percent, allowing for expenses, is profit for Merrill Lynch.) In that case, the new package like the old, is 100-percent guaranteed by Sweden.

But if Libor falls below that level, the swap will be required to provide funds to the trust to enable it to make the additional 1/4-point payment. (This may or may not be a cost to Merrill, depending on how it hedges the risk.) Merrill Lynch calculates that in a worst-case scenario, Sweden's guarantee of interest payments would cover only 97.3 percent with the remainder guaranteed by Merrill.

This still leaves the trust, which, at maturity, will have \$10 million in cash, after the notes are redeemed. That cash will be paid as a bonus to noteholders who will redeem their paper not at par but at 102 percent of face value, thus raising an effective yield of the notes to 12 1/2 basis points over Libor.

Despite the complexity, the market response to the restructuring appeared favorable and the new package was quoted at about par.

For the most part, Merrill's competitors praised the operation. "It's brilliant," said a senior officer of another firm.

Dealers noted that as the price of National Westminster Bank's permanent floater paying 3 1/2 points over Libor is trading over par, the terms on the Swedish paper now appear very competitive.

Also well received last week was a \$100-million FRN for CEPME, a French state credit agency. Its 12-year notes offer a margin of 3/4 point below Libor. The catch in this issue is that it can be redeemed in stages — 20 percent in 1989, 1992 and 1994 and 40 percent at maturity — for sterling at a fixed exchange rate of \$1.377 a pound. This is especially attractive for

U.K.-based investors who can currently borrow six-month sterling at 10 percent and earn 12 percent on the FRN, pocketing 200 basis points of interest without running any foreign-exchange risk. And for those willing to speculate on a decline in the dollar and a rise in the value of sterling, the paper represents a very low-cost and long-lived put option on the dollar or call option on the pound.

In addition to the initial offering, CEPME said it intended to tap into the market over the coming three months as much as another \$100 million of notes if conditions permit. By late Friday, with the initial amount sold, managers had begun to sell some of the notes that had been reserved for the swap.

In the fixed-rate sector, General Motors Acceptance Corp. was back in the market offering \$200 million of shorter-dated, more-expensive, 13 1/4 percent four-year notes fared less well, ending the week at 97%.

The other dollar issues were for banks — Bank of Nova Scotia, Bank of Tokyo and PK Banken — and a glut of bank paper hurt them. The worst was Commerzbank's \$100 million of four-year notes offering a 13 1/4 percent coupon.

Each \$5,000 note carries five warrants, good for four years, to buy five \$1,000, 13 1/4 percent bonds maturing in 1991. The warrants, priced at \$175 each, were deemed to be good value for the money. But the coupon on the notes was not appealing.

Commerzbank was widely criticized for introducing the offering on Wednesday, the day before a holiday in Frankfurt, which meant there was no support for it on Thursday. Despite business as usual on Friday, the bank still neglected to support the pre-sale trading and the price dropped to 96%. The warrants did better, ending the week at 116%.

The Deutsche mark sector remained unresponsive due to the continuing strength of the dollar on the foreign exchange market, the rise in U.S. interest rates and the continuing strike by metal workers. McDonald's, benefiting from the rarity value of U.S. names in this market, was able to sell 100 million DM of 10-year bonds at par bearing a coupon of 7 1/4 percent. But a private placement for a Finnish steel firm had to be canceled.

The ECU market had a better time thanks to the higher coupon it offers. Eurofima tapped the market for 40 million units, paying a coupon of 11 percent for eight years.

## Franklin Computer Seeks Protection

By Michael Blumstein  
New York Times Service

NEW YORK — Franklin Computer Corp., the only major maker of a personal computer designed to be compatible with Apple Computer Inc. systems, has filed for reorganization under Chapter 11 of the Federal Bankruptcy Act.

In a statement Friday, the company attributed its troubles to "declining sales resulting from general softness in the computer industry," as well as its extended litigation with Apple over copyrights. Franklin

is also said that it had trouble obtaining parts for its CX line of portable computers, which is now due out in September.

Analysts also blamed aggressive price-cutting by Apple in recent months for Franklin's troubles.

Franklin, a privately held company based in Pennsauken, New Jersey, is the first major maker of a compatible system to file for reorganization. But analysts have produced several such failures by the end of the year among the many companies that make machines

## \$3-Billion Refinancing Smoothing Out Sweden's Debt Profile

By Carl Gewirtz  
International Herald Tribune

PARIS — Sweden ironed out a major hump in its debt profile last week when it announced plans to refinance the bulk of its remaining commercial bank credits with a new \$3-billion, 10-year loan.

As a result of this operation and others over the past 12 months, Sweden has succeeded in restructuring 40 percent of the debt that was to have matured between 1985 and 1989, pushing repayment into the next decade.

In the past year, Sweden has refinanced \$4.5 billion of drawn syndicated bank credits — just over 25 percent of the total \$16 billion in foreign debt outstanding. The latest operation, which is expected to be one of the last, is replacing \$3.5 billion of credit lines from which only \$1 billion has actually been drawn.

The new facility, notable for its flexibility, is expected to be used as a bridge financing to cover Sweden's needs between forays into foreign capital markets. In addition to drawing on the loan, Sweden has the option of trying to sell banks short-term advances or Eurobonds.

Lead managers, that is, banks taking \$75-million or \$100-million

slices of the new loan, will be asked to offer terms to buy these short-term instruments. Eurobonds would be negotiable paper that the banks could sell to investors; advances would be taken and held by subscribing banks wanting to increase

the outstanding lines, which will be canceled. Swedish officials said they expect to reduce the average margin over Libor by about two-thirds, a saving they conservatively calculate as totaling at least \$63 million a year.

The annual facility fee on the new transaction, for example, is 1/4 percent. This compares with commitment fees of 1/4 percent to 1/2 percent on the outstanding lines. In addition, the borrowing charges on the old loans were in the range of 1/4 to 1/2 percent over Libor.

Still being organized is the \$500-million revolving underwriting facility for Spain. Only \$400 million has been underwritten so far but lead manager Merrill Lynch reports that it will be completed.

Note facilities such as these are becoming increasingly popular and controversial. They are popular with banks because a syndicated credit is turned into a marketable instrument; banks can take the portion of the \$3-billion syndicated loan.

The reference price of the advances or notes is open and need not necessarily be pegged to the London interbank offered rate. In essence, banks can offer to price such loans over any base rate they choose.

The syndicated credit, which is the largest single Euromarket transaction undertaken by Sweden, will be priced on Libor at a cost significantly below the charges on

existing credits that are to be canceled.

This is bad news for Denmark,

which had so much trouble getting its \$1-billion standby facility underwritten. The underwriting was completed thanks to the inclusion of a Japanese bank in the organizing group. Industrial Bank of Japan was named as agent of the loan, thereby enabling Japanese banks to take more than the maximum one-third of the loan they would have been restricted to under Ministry of Finance regulations. As it is, the Japanese are underwriting 41 percent of the credit.

Mr. Knapp was careful to avoid criticism of the regulators, saying they were trying to do a "difficult" job. He added that the bank board might also have been influenced by worries about the health of major financial institutions. Still, he added, "as a company are relatively bothered by this attempt to re-structure through the application process."

In a prepared statement, Mr. Knapp indicated that Financial would soon begin buying back more of its own shares. Its employee stock ownership plan acquired 2.3 million shares of its 42.6 million outstanding shares earlier this year. Managers of the Danish loan emphasize that it is designed not to be drawn and if it is will pay attractive rates more generous than Sweden's. But this defense finds few supporters in the market.

The \$300-million credit currently being organized for state-owned

Electricté de France has received a very strong response and is likely to be increased a second time to as much as \$800 million. The operation started out as a \$400-million facility and at the time EDF was said to be interested in a maximum of \$600 million.

The 10-year loan carries an annual commitment fee of 1/10 basis points and the cost of drawings is graduated according to usage rather than by maturity.

In addition, underwriters are often invited to bid competitively for the notes, raising questions about whether this system invites overly aggressive terms to be offered.

As expected, the Electricity Generating Authority of Thailand is in the market seeking \$200 million to repay older, more expensive loans.

The bulk of the new operation,

\$120 million, will run for 10 years and \$80 million will have a maturity of eight years. Interest on both portions is set at a thin 1/4-point over Libor. Fees average 0.45 percent on the 10-year portion and slightly less on the eight-year part.

Amsterdam-based broker needs securities analyst familiar with U.K. stocks stock market etc. Preferably a good writer. Salary commensurate with qualifications.

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By Morgan Guaranty Trust Company of New York. London Agent Bank

Coupon Write for more information.

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## International Bond Prices - Week of June '21

Provided by White Weld Securities, London, Tel.: 623-1277; a Division of Financière Crédit Suisse-First Boston  
Prices may vary according to market conditions and other factors.

Prices may vary according to market conditions and other factors.

**Mutual Funds**

## **Mutual Funds**

**Virtual Funds**  
Closing Prices June 22, 1984

## INTERNATIONAL EXECUTIVE POSITIONS

*Published every Monday, this is a compilation of senior positions published in the INTERNATIONAL HERALD TRIBUNE and other selected publications. Comments concerning this feature can be addressed to Max Ferrero in Paris.*

POSITION	SALARY	EMPLOYER	LOCAT.	QUALIFICATIONS	CONTACT	Source
MANAGING DIRECTOR	Competitive with position	Fast growing co.		U.S. citizen; wide exp. in general mgmt.; ability to travel extensively; working knowledge of French.	Ref. 3032/87, Madie P.A., 9 Blvd. des Italiens, 75002 Paris.	L.M.T. 14-6-84
MAINTENANCE ENGINEERS	Attractive	Engineering Co.	Seville	Grad. engineers; fluent Eng.; previous exp. of maintenance.	Ref. 177 252 RTI, Seiza, 64 Rue La-Baume, 75008 Paris.	L.M.T. 14-6-84
INVESTMENT MANAGERS	Attractive	Major Investment Institution	Abu Dhabi	Post. qual.; with min. 5 yrs. exp. of managing a discretionary portfolio of equities & bonds.	Ref. 2175, W.L. Tai, Tocque Bros. & Co., 1 Little New St., London EC4A 3TB, Tel: 01-353 8811.	The Economist 16-6-84
MANAGER	Attractive	Societe Generale de Surveillance (Cotton operations)	Geneva	several yrs. exp. in Int'l car cotton trading; well introduced in this specific sector; Swiss nat. or permit; Eng., Fr.	Societe Generale de Surveillance S.A., Personnel Division, 1 Place des Alpes, 1221 Geneva.	L.M.T. 16-6-84
TRADERS	Attractive	Int'l Trading Co.	London Switz. & Luxemburg	Proven recent; self starters; exp. in one or more areas of physical trade & countertrade; Eng. +.	Box 8 2000, International Herald Tribune, 52521 Neuilly Cedex, France.	L.M.T. 16-6-84

## DM STRAIGHT BONDS

(Continued on Page 11)

## CONVERTIBLE BONDS

376

**- HIGHEST CURRENT YIELDS**

**HIGHEST CURRENT YIELDS**  
On convertibles having a conversion premium  
of less than 10%.

**- Explanation of Symbols -**

Explanation of Symbols	
CDS	Canadian Dollar
ECU	European Currency Unit
EUA	European Unit of Account
SDR	Special Drawing Rights
Y	Yen
LWS	Longwave Service

113. *U.S. Department of the Treasury* (1972) *Annual Report* (Washington, D.C.: U.S. Government Printing Office).

# The 1984 Herald Tribune Audience Survey

A message to our readers from Lee W. Huebner, Publisher.

The International Herald Tribune is unique in being a worldwide newspaper, with more than 153,000 copies sold each day in 164 countries. But this international distribution also presents us with a unique problem: how can we learn about our readers, their interests and characteristics?

We need to know about you. Whether you are a regular reader or someone who is seeing the paper for the first time—whether you are traveling or at home—whether you are reading in an office or a cafe or an airplane—we very much need your help, right now, in order to give an accurate picture to our editors and to advertisers.

Won't you please take a few minutes to complete this confidential questionnaire and return it to Research Services Limited, the independent, London-based organization which conducts the survey for us? If you are rushed, won't you at least pull out this page and save it until a moment is available to you?

You can return the questionnaire either using the folding instructions on the reverse or your own envelope. As a gesture of our appreciation we will make a charitable donation of one U.S. dollar for each participant. The results of the survey and the total contributed to each charity will be published in September.

This audience research is extremely important to us—and we earnestly hope for your cooperation.

With our warmest thanks,

*Lee W. Huebner*

Please indicate which charity you prefer:

- CANCER RESEARCH
- UNICEF
- INTERNATIONAL RED CROSS

## Your Reading

### 1. Where did you obtain this copy of the newspaper?

Postal subscription: At home	<input type="checkbox"/> 1	Hotel delivered	<input type="checkbox"/> 5
Postal subscription: At work	<input type="checkbox"/> 2	Bought at newsstand	<input type="checkbox"/> 4
Home delivered	<input type="checkbox"/> 3	Airplane	<input type="checkbox"/> 7
Office delivered	<input type="checkbox"/> 6	Elsewhere	<input type="checkbox"/> 8

### 2. How often do you usually read or look at the International Herald Tribune?

5-6 days a week	<input type="checkbox"/> 1	Less often than once a week	<input type="checkbox"/> 4
3-4 days a week	<input type="checkbox"/> 2	First time reader	<input type="checkbox"/> 5
1-2 days a week	<input type="checkbox"/> 3	Only see when traveling	<input type="checkbox"/> 6

### 3. How many other people (including household and/or business colleagues) usually read your copy of the IHT?

One	<input type="checkbox"/> 1	Four or more	<input type="checkbox"/> 8
Two	<input type="checkbox"/> 2	No-one else	<input type="checkbox"/> 3
Three	<input type="checkbox"/> 3	More than one, but don't know how many	<input type="checkbox"/> 5

We will pass to the editors (anonymously of course) any comments you wish to make about the IHT. Space is provided on the reverse side. But first may we ask you to complete the rest of this page?

## International Communications & Travel

### 4. Approximately how many times in the last month in your business or professional capacity have you...

Made or received any international telephone calls:

None  Once  2-4 times  5-10 times  11+ times

Made or received telephone calls to/from North America:

None  Once  2-4 times  5-10 times  11+ times

Sent or received international telexes or facsimiles:

None  Once  2-4 times  5-10 times  11+ times

Freighted or couriered documents internationally:

None  Once  2-4 times  5-10 times  11+ times

### 5. Approximately how many business air trips have you taken during the last 12 months?

None	<input type="checkbox"/> 1	1-5	<input type="checkbox"/> 2	6-11	<input type="checkbox"/> 3	12-24	<input type="checkbox"/> 4	25+	<input type="checkbox"/> 5
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### 6. Which of the following destinations have you flown to on business in the last 12 months?

Australia/N.Z.	<input type="checkbox"/> 1	U.S.A. East Coast	<input type="checkbox"/> 2	Singapore	<input type="checkbox"/> 1
Rep. South Africa	<input type="checkbox"/> 2	U.S.A. West Coast	<input type="checkbox"/> 1	Hong Kong	<input type="checkbox"/> 2
Africa	<input type="checkbox"/> 3	Other U.S.A.	<input type="checkbox"/> 1	Other S.E. Asia	<input type="checkbox"/> 3
Central/S. America	<input type="checkbox"/> 4	European countries	<input type="checkbox"/> 4	Gulf States	<input type="checkbox"/> 4
Canada	<input type="checkbox"/> 5	Japan	<input type="checkbox"/> 5	Saudi Arabia	<input type="checkbox"/> 5
Any other destinations	<input type="checkbox"/>	(Write in)		Other Arab States	<input type="checkbox"/> 6

7. Which class of air travel do you normally use on business trips a) for long trips (over four hours) and b) for short trips (up to four hours)?

	Long trips (over 4 hours)	Short trips (under 4 hours)
First class	<input type="checkbox"/> 1	<input type="checkbox"/> 5
Business class or equivalent	<input type="checkbox"/> 2	<input type="checkbox"/> 6
Full fare economy	<input type="checkbox"/> 3	<input type="checkbox"/> 7
Other	<input type="checkbox"/> 4	<input type="checkbox"/> 8

## Your Business Life

### 8. Do you work in an establishment employing five people or more?

Yes	<input type="checkbox"/> 1	Go to Q. 9
No	<input type="checkbox"/> 2	

If no, are you...

a) Otherwise employed  Write in occupation \_\_\_\_\_  
Or b) Not in employment (check appropriate box below)

Retired	<input type="checkbox"/> 1	Housewife	<input type="checkbox"/> 3
Student	<input type="checkbox"/> 2	Other	<input type="checkbox"/> 4

If you have checked a or b above, continue on with Q. 14.

### 9. How many people are there in the establishment in which you work, including yourself? (By establishment we mean the whole of the premises under the same ownership or management at a particular address.)

5-9	<input type="checkbox"/> 1	100-999	<input type="checkbox"/> 4
10-49	<input type="checkbox"/> 2	1,000-4,999	<input type="checkbox"/> 5
50-99	<input type="checkbox"/> 3	5,000+	<input type="checkbox"/> 6

### 10. What is your company's principal activity?

Agriculture/Forestry/Fisheries/Mining	<input type="checkbox"/> 1	Banking	<input type="checkbox"/> 33
Oil Industries	<input type="checkbox"/> 2	Insurance	<input type="checkbox"/> 2
Engineering/Construction	<input type="checkbox"/> 3	Stockbroking/Investments	<input type="checkbox"/> 3
Computers/Data Processing	<input type="checkbox"/> 4	Management Consultancy/Accounting Services	<input type="checkbox"/> 4
Consumer Goods Manufact.	<input type="checkbox"/> 5	Other Financial Services	<input type="checkbox"/> 5
Other Manufacturing	<input type="checkbox"/> 6	Advertising/PR/Publishing/Broadcasting	<input type="checkbox"/> 34
Public Utilities	<input type="checkbox"/> 7	Legal or Medical Services	<input type="checkbox"/> 1
Distribution/Wholesale/Retail/Imports/Exports	<input type="checkbox"/> 8	Education	<input type="checkbox"/> 2
Transportation/Tourism	<input type="checkbox"/> 9	Arts, Entertainment	<input type="checkbox"/> 3
Government/Civil Service	<input type="checkbox"/> 10	Other Business or Professional Services	<input type="checkbox"/> 4
Armed Forces/Police	<input type="checkbox"/> 11	Other	<input type="checkbox"/> 5

(Write in) \_\_\_\_\_

### 11. What is your job title or position?

Proprietor/Partner	<input type="checkbox"/> 1	Middle Management	<input type="checkbox"/> 5
Chairman/President	<input type="checkbox"/> 2	Executive Staff	<input type="checkbox"/> 4
Managing Director	<input type="checkbox"/> 3	Clerical	<input type="checkbox"/> 7
Senior Management	<input type="checkbox"/> 4	Other	<input type="checkbox"/> 8

Check box and write in title \_\_\_\_\_

### 12a. In which, if any, of these financial areas are you wholly or partly responsible for company decision-making? (Check all which apply).

Domestic Banking Relations	<input type="checkbox"/> 1	Portfolio/Pension Fund Management	<input type="checkbox"/> 4
International Banking Relations	<input type="checkbox"/> 2	Money Market/Foreign Exchange Management	<input type="checkbox"/> 5
Corporate Finance/Development	<input type="checkbox"/> 3	Insurance Services	<input type="checkbox"/> 6
		None of these	<input type="checkbox"/> 7

### 12b. For which of the following goods and services are you part of the Management team which is usually responsible for company decision-making? (For each category listed, check level of involvement).

Computer and Office Equipment	<input type="checkbox"/> Responsible	Not relevant to company	<input type="checkbox"/> 46
Computers: Main frame (\$25,000+)	<input type="checkbox"/> 1		<input type="checkbox"/> 47
Minis (\$10,000-25,000)	<input type="checkbox"/> 2		<input type="checkbox"/> 48
Micros (under \$10,000)	<input type="checkbox"/> 3		<input type="checkbox"/> 49
Other Terminals	<input type="checkbox"/> 4		<input type="checkbox"/> 50
Software purchase/Bureau selection	<input type="checkbox"/> 5		<input type="checkbox"/> 51
Office Photocopiers	<input type="checkbox"/> 6		<input type="checkbox"/> 52
Facsimile Equipment	<input type="checkbox"/> 7		<input type="checkbox"/> 53
Word Processors	<input type="checkbox"/> 8		<input type="checkbox"/> 54
Telephone Systems/Switchboards	<input type="checkbox"/> 9		<input type="checkbox"/> 55
Network Systems	<input type="checkbox"/> 10		<input type="checkbox"/> 56
Other Telecommunication Equip.	<input type="checkbox"/> 11		<input type="checkbox"/> 57
Goods and Services	<input type="checkbox"/> 12		<input type="checkbox"/> 58
Company Cars	<input type="checkbox"/> 13		<input type="checkbox"/> 59
Aircraft and related equipment	<input type="checkbox"/> 14		<input type="checkbox"/> 60
Business Premises/Industrial Site Selection	<input type="checkbox"/> 15		<input type="checkbox"/> 61
Plant/Plant equipment	<input type="checkbox"/> 16		<input type="checkbox"/> 62
Scientific instruments	<input type="checkbox"/> 17		<input type="checkbox"/> 63
Conference, Exhibition/Trade Fair Services	<input type="checkbox"/> 18		<input type="checkbox"/> 64
Advertising/Marketing Services	<input type="checkbox"/> 19		<input type="checkbox"/> 65
Executive Recruitment	<input type="checkbox"/> 20		<input type="checkbox"/> 66

### 13. Do you have responsibility for the policies or operations of your company outside the country in which you are currently based?

Yes	<input type="checkbox"/> 1	No	<input type="checkbox"/> 2	Company only operating in one country	<input type="checkbox"/> 3
-----	----------------------------	----	----------------------------	---------------------------------------	----------------------------

## About You ...

### 1

## RESEARCH SERVICES LTD.

6th June 1984

Susan Marie Harrow

Mr. Lee Huebner,  
International Herald Tribune  
181 Avenue Charles de Gaulle  
92200 Neuilly sur Seine.  
France

Dear Lee

Thank you for commissioning us to undertake the 1984 Audience Survey.

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We will supply the overall results of the survey to you for publication in the IHT in September 1984.

With best wishes

~~Yours sincerely~~

~~Anna Mitchell~~

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## SPORTS

## latini Sends France into Soccer Final

Reuters

ARSEILLE — France reached final of the European soccer championship when Michel Platini did in the dying seconds of extra time to give the French a 3-2 semi-final victory over Portugal on Saturday.

France will meet the winner of Spain-Denmark match that was played Sunday in Lyon.

On Friday we came back from the French trainer, Michel

Alain, said after the match.

Portugal scored in extra time to reach the final was shattered.

Alain, who plans to retire after championship, said: "The Portuguese put us through every conceivable test. But our players had enormous strength of character in continuing to believe in themselves and continuing to go till the end."

Portugal's manager, Fernando

Ribeiro, visibly tired and upset,

said: "When we scored in extra time I thought we had the game won. You know I said before this match it would be a final, and that's the way it turned out. I only hope the real final will be as great."

For once it was not Platini who scored on the winning goal although the French captain was the indirect cause after he was brought down by Jaime Pacheco just in front of the penalty area after 25 minutes.

Platini had scored from much the same spot with a free kick in the 3-2 victory over Yugoslavia four days earlier. But while all eyes were on him, fullback Jean-François Domergue stepped up to drive a left-footed shot inside the right post of Portuguese goalkeeper Manuel Bento.

After a cautious first half that was dominated by tight marking and strong defensive play, Portugal brought on strikers Fernando Gomes, in the 46th minute, and

Tamagnini Nunes in the 63rd minute, and the game opened up.

Alain Giresse and Platini were thwarted time and again only by the brilliance of Bento.

But Domergue belted its role as the underdog, refusing to submit to the French pressure.

Fernando Chalana, returning from a knee injury in the last match against Romania, tormented the French defense from his midfield position and after 74 minutes set up the tying goal.

Chalana looped over a swirling cross from the left to strike Rui Jordao at the right post and the strike headed home past French goalkeeper Joel Bento.

Platini came close to clinching the game for France without the necessity of extra time. With 10 minutes left in regulation time Bento was forced to scramble Platini's shot and Didier Six follow-up shot rebounded off the crossbar.

An 86th minute Platini free-kick

was deflected away for a corner, sending the game into a nerve-shattering 30 minutes of extra time.

In the eighth minute of extra time, Chalana, flitting everywhere, ran Domergue ragged on the right and crossed for Jordao, over on the left, to hit on the volley. Jordao's kick bounded awkwardly but over Bento and into the net for a 1-1 lead.

But Domergue, with six minutes left in extra time, gained possession of the ball in a goalmouth melee after Platini had been obstructed and sent the ball from the left into the far corner. The fullback started for the team only after Manuel Amoros was suspended for butting Denmark's Jesper Olsen in the tournament opener.

Then, with less than one minute to go, the Jean Tigras worked the ball up into the Portuguese penalty area once more and centered to Platini, who drove home the winner, his eighth goal in four games.



United Press International  
France's Platini sends the winning goal past goalkeeper Bento and Pereira of Portugal.

## Piquet Wins Grand Prix In Detroit

The Associated Press

DETROIT — Nelson Piquet, the defending world champion and driving a BMW-powered Brabham, charged to his second straight Formula One victory, running away with Sunday's crash and attrition-filled Detroit Grand Prix.

Just six of the 26 starters were running at the end of the grueling 64-lap race over the 2.5-mile (40-kilometer) 20-turn circuit winding through downtown Detroit.

Rockie Martin Brundle of England was a closing second in a Tyrrell, followed by Elio de Angelis of Italy in a Lotus, and Teo Fabi of Italy in the other Brabham.

The other other cars still running at the end were the McLaren of Alain Prost of France, the world championship point leader, and the Williams of Jacques Laffite of France. Both Prost and Laffite were a lap behind the winner.

Piquet, who won the Canadian Grand Prix on June 17 and started from the pole in both races, led every lap.

The start of the race was marred Sunday by a crash that halted the activity almost before it began.

There was no injuries reported and officials immediately stopped the race. They said the first lap did not count and that the race would be restarted, with any of the drivers involved in the accident allowed to start in available backup cars.

The incident occurred when Nigel Mansell of England, starting from the second row, tried to squeeze between Piquet and Prost as the 26-car field accelerated toward the first turn.

The three cars banged together and the right rear of Piquet's Brabham bounced into the air, the car slid to the right and pinned second-row starter Michele Alboreto's Ferrari against the concrete wall.

"There was a gap in the middle and I tried to jump between them," said Mansell. "All of a sudden, they both started to come together. I had nowhere to go. I took a bang in the front and a bang in the rear, but I guess my car is all right."

Presto managed to drive his McLaren through with no apparent damage, but several cars starting near the rear of the field then got involved.

## Sanberg, With 7 RBIs, Leads Cubs Past Phillies

Compiled by Our Staff From Dispatches

CHICAGO — Dave Owen singled home Leon Durham from third base with the winning run in the 11th inning Saturday, helping the Chicago Cubs post a 12-11 victory over St. Louis.

Durham opened by drawing a walk off Dave Rucker (1-1). After Jeff Lahti relieved, Durham stole second and took third on Darrell

SATURDAY BASEBALL

Porter's throw into center field. St. Louis intentionally walked Keith Moreland and Jody Davis before Owen, batting for pitcher Lee Smith (4-4), singled off his first game-winning hit.

Ryne Sandberg had five hits, including two game-tying home runs, and seven RBIs for the Cubs. He tied the game, 9-9, with a leadoff home in the ninth off reliever Bruce Suter and tied it again, 11-11, with a two-out, two-run homer in the 10th of Suter.

Willie McGee became the first Cardinal since Lou Brock on May 27, 1975, to collect a single, double, triple and home run in one game. McGee, who drove in six runs in the game, hit a bases-loaded triple

## Major League Standings

## NATIONAL LEAGUE

	W	L	Pct.	GB
New York	51	36	.570	—
Philadelphia	45	42	.523	7 1/2
Chicago	43	44	.495	12
Montreal	34	52	.405	5
St. Louis	34	52	.405	5
Atlanta	28	49	.378	10 1/2

## AMERICAN LEAGUE

	W	L	Pct.	GB
Seattle	57	34	.627	—
Toronto	51	40	.553	7 1/2
Baltimore	49	41	.533	12
Boston	33	57	.444	17
New York	31	58	.449	21
Montreal	29	59	.483	25
Cleveland	27	61	.409	27 1/2

## EAST

	W	L	Pct.	GB
San Diego	42	34	.552	—
Atlanta	39	45	.476	2 1/2
Los Angeles	35	51	.415	6
Cincinnati	32	53	.458	9
Houston	32	53	.457	9
San Francisco	28	47	.382	14

## WEST

	W	L	Pct.	GB
California	37	34	.521	—
Chicago	34	45	.465	2 1/2
Minnesota	34	45	.465	2 1/2
Oakland	33	46	.445	4
Seattle	33	46	.445	4
Texas	33	46	.445	4
Kansas City	29	52	.389	9 1/2

in 16 years in the majors to lead Toronto past the Red Sox, 9-3.

Indiana 11, Mariners 4

In Seattle, Mike Hargrove's first home this season, a grand slam, helped Roy Smith win his first major-league game, a 11-4 Cleveland victory over the Mariners. The Indians have scored 24 runs in 26 hits in two games with the Mariners.

Twins 4, White Sox 3

In Minneapolis, rookie Dave

Meier greeted reliever Juan Agosto with a pinch-hit, tie-breaking double in the eighth inning to give Minneapolis a 4-3 victory over Chicago.

Yankees 5, Brewers 1

In Detroit, the Tigers drove in four runs with two homers in the first two innings and went to easily beat Milwaukee, 5-1. Milt Wilcox, who started the season by winning six straight before losing five of the next six decisions, allowed four hits in eight innings for the victory.

Marlins 2, Expos 0

In New York, Bruce Bereany and Doug Sisk combined on a three-hitter leading the Mets to a 2-0 victory over Montreal. Bereany (4-8), in his second start for the Mets since being obtained from Cincinnati on June 15, pitched seven innings, allowing the three hits. Sisk earned his 10th save and lowered his earned run average to 0.55 in 483 innings.

Phillies 7, Pirates 5

In Pittsburgh, Glenn Wilson and Sisto Lecinio homered for the Pirates in the first two innings before departing with a stiff elbow to carry California past Kansas City, 8-7. Wilson (6-7) started five hits and struck out four to boost his AL-leading total to 87.

Dodgers 10, Braves 2

In Atlanta, Bill Russell's three-run double broke a tie in the sixth inning and Los Angeles went on to defeat the Braves, 10-2.

Mets 2, Reds 2

In Cincinnati, Duane Walker singled from third on a throw by center fielder Luis Serrano to score the winning run with one out in the bottom of the ninth inning and give the Reds a 8-7 victory over San Diego.

Padres 5, Reds 2

In Cincinnati, Alan Wiggins singled from third on a throw by center fielder Luis Serrano to score the winning run with one out in the bottom of the ninth inning and give the Reds a 8-7 victory over San Diego.

Pirates 10, Phillies 3

In Pittsburgh, Bill Doran lead a 13-hit attack with two triples, a single and four RBIs as the Astros overpowered the Phillies, 10-3.

Reds 8, Royals 1

In Atlanta, Rick Moreland hit a three-run homer during a four-run first inning and Jody Davis and Ron Cey added two-run homers to lead the Reds past St. Louis, 9-3.

Rangers 4, A's 0

In Oakland, Keith Moreland hit a two-run homer in the ninth to give the A's a 4-0 victory over the Rangers.

Astros 10, Phillies 3

In Houston, Bill Doran lead a 13-hit attack with two triples, a single and four RBIs as the Astros overpowered the Phillies, 10-3.

Cardinals 9, Pirates 3

In Pittsburgh, Dale Berns drove in the winning run with a single in the bottom of the 13th inning to give the Pirates a 7-6 victory and a sweep of their doubleheader with Philadelphia. In the opener, Jason Thompson hit a two-run homer and Lee Lacy drove in three runs with a single and a double to lead the Pirates' 10-3 victory.

Giants 7, Astros 5

In Houston, Al Oliver had three hits as San Francisco beat the Astros, 7-5.

A's 5, Rangers 1

In the American League, in Oakland, California, Tim Conroy and Bill Caudill combined on a one-hitter to give the A's a 5-1 victory over Texas. Conroy (1-3) pitched eight innings, giving up only a two-

Rosario 21, hit Davis with a 15-second finish was the second time Rosario was able to knock down Davis, 28, a gold medalist in the 1976 Olympics. The first time came in the second round, when Rosario unleashed a left hook.

But Rosario was unable to do much more with the challenger, ranked No. 2 in the fight, and Davis won the 12-round fight.

Judges Sidney Nathan of London and

## LANGUAGE

## Jostling With Elbows

By William Safire

**N**EW YORK — "No man lives without jostling and being jostled," wrote Thomas Carlyle in 1838. "In all ways he has to elbow himself through the world, giving and receiving offense."

In the world of politics, elbows have become the single most important possession of a candidate. "This campaign shows that Monroe, far from being a party," wrote Michael Barone in *The Washington Post*, "is a politician with elbows."

The metaphor of a person using his elbows to make room for himself is international: In 1980, a Bonn politician was censured for charging that the politician Franz Josef Strauss was a man allied "with" users and wheeler dealers and is a man with razor blades on his elbows."

The not-so-funny bone has a revered place in slang: *To bend the elbow* is to take a drink, and an *elbow* is a cop, the name taken from the way some policemen elbow their way through a crowd for their prey. An *elbow shaker* was defined in Grose's *Dictionary of the Vulgar Tongue* in 1783 as "a gambler, one who rattles Sir Hugh's bones — i.e., the dice." That early slang complement also defined *elbow* as "sufficient space to act in"; *out of elbows* as "in declining circumstances," and *elbow grease* as "labor. Elbow grease will make an oak table shine."

A change of connotation is taking place in the political use of the word. Not long ago, *to have sharp elbows* was not considered a compliment, as was apparent in the damnification of Strauss. Today, a politician without elbows is as lost as a politician without principles. The display of elbows is evidence of necessary *macho*.

On occasion, the elbows still go a bit too far. In "Caveat," the memoirs of nuance-ridden Alexander Haig, he captions a picture of himself with hands on hips, elbows prominent: "The take-charge" image had taken hold. . . . My photograph (jaw jutting, arms akimbo) had been on the cover of Time magazine."

Much too *macho*. *Akimoto* comes from the Old Norse *kengbogin*, the shape of a bow when it has been bent back, and it is a position that bespeaks pride or hostility. In sum,

a political figure today must have elbows, but they must not be too sharp, and he must not display them to photographers.

**A DELICIOUS** affection is being served at many posh American restaurants. The waiter appears with a menu, which only clods are expected to look at; the cognoscenti await a recitation of the unlisted specials of the day. This obviates the need for little cards printed to the menu and concealed in the price of the items to be ordered.

The waiter's performance is delivered in the present progressive, the preferred tense of restauranteuse. "George in the kitchen is making a calf's liver, lightly sautéed in polyunsaturated oil," he reports. "He's doing fresh fish, too, which we're serving with a sprig of dill." This tense indicates action in the present as well as in the future. At this very moment, George is sloshing on the corn oil and will continue the sloshing throughout the lunch hour.

Centre Court, a steak house in New York City, advertises "interesting verbal specials."

"What do they mean by 'interesting verbal specials'?" demands Alexander McKeeveny of East Islip, New York. "Is salty language used to describe the soupe du jour? Perhaps a multilingual staff serves mots for dessert?"

**A CLEVER** and pernicious trick is being played by image makers, and the print media are being duped. The trick is the use of typography to make a name stand out and sell in editorial copy.

A company named "TelePromter" may have started the business of implanting a capital letter in the midst of a name. This was followed by "BankAmericard" (now Visa), which compressed the name of Bank of America's credit card into a single word but tried to preserve the capitalization of *of America*.

It is a small, designed to gain the reader's attention by playing with capitalization. And too many editors have been gullibly grazing on this stuff, intimidated by lawyers who claim the funny-looking printing is the "real" name of the company, not to be tampered with or straightened out in any way.

New York Times Service

## A Case for the Deputy Attorney General

By Leslie Maitland Werner

*New York Times Service*

**W**ASHINGTON — Carol E. Dinkins says she never thought of herself as a woman lawyer. She has always "proved" herself, she says, "as a lawyer, not a woman lawyer."

But when she took the oath of office recently as deputy attorney general, an oath administered by Sandra Day O'Connor, the first woman to become a justice of the Supreme Court, there were others who were certainly aware that Dinkins was assuming the highest position ever held by a woman, or a woman lawyer, in Justice Department history.

"It's special because one has done it before," Dinkins conceded. "It's not special because of me. I just got out of law school at the right time, worked in a big firm at the right time and came to the department at the right time."

Others would disagree. Both Attorney General William French Smith and Dinkins's predecessor, Edward C. Schmults, say she demonstrated special ability as a lawyer and a manager while serving as assistant attorney general in charge of the Lands and Natural Resources Division for the first two and a half years of the Reagan administration. "She did an outstanding job here," Smith said, adding that she had been unanimously and speedily confirmed by the Senate for position of deputy.

Schmults added: "Carol has demonstrated in very tough situations that she's a terrific lawyer, a very fine manager, has an extraordinary ability to deal with people, has good judgment and can predict when problems are likely to develop."

Dinkins, a 38-year-old Texan who is a specialist in environmental law, left Washington last summer to return to private practice in Houston and to her husband, a pediatrician, and two daughters.

Several weeks ago, however,

she was visiting Washington when the nomination of Edwin Meese III, the presidential counselor, to replace Attorney General Smith was blocked by an independent counsel's inquiry and Smith agreed to delay his return to private practice. Dinkins



Deputy Attorney General Carol E. Dinkins.

stopped by to congratulate Smith for that decision.

"He said, 'Why don't you stay, too?'" Dinkins said. "At the time she said, 'I've got to go now,' but she returned. 'I came back because Bill Smith asked me to. After all, he'd agreed to stay on when he'd planned to leave."

She added, in her strong Texan drawl, that she certainly did not have "Potomac fever" because of the "Mexican food here isn't good enough." But she said she regarded the department's number two position as a "neat opportunity" and "I didn't know when I would ever get a chance like this again."

The deputy attorney general, she said, should be "someone who has the skills of a lawyer who can assemble and analyze the facts before making a decision," and not necessarily someone who can recite section 308 of some obscure statute and its legislative history.

The deputy attorney general,

she said, should be "someone who has the skills of a lawyer who can assemble and analyze the facts before making a decision," and not necessarily someone who can recite section 308 of some obscure statute and its legislative history.

But there is a side of herself that she shields from public scrutiny, namely her private life with her two teen-aged daughters and her husband, O. Theodore Dinkins Jr., also a lawyer, who is in private practice and whose mother was married when she was in college.

Dinkins said that largely because she is a woman and wants to be treated as a professional, she saw no benefit in discussing her domestic life. She therefore declined to say whether it had been burdensome, in her last stay here, to commute to Texas for weekends with her family.

On the other hand, she did acknowledge that she "always wanted to be Mother Nature," that her "life ambition was to learn how to run a bulldozer" and that she liked to fish and now to

She also said she became a lawyer as a child, while observing her father, the only lawyer in the small town of Madison, Texas. "I saw that Daddy talked to a lot of people, had a lot of books and actually read them and also wrote things. I decided any job where you can talk to people, read and write was a job for me."

After earning a law degree at the University of Houston in 1971, she started work at the Texas Law Institute of Coastal and Marine Resources, realizing that environmental law was becoming a new and growing field.

She added that while in the Lands Division at the Justice Department, she testified in favor of strengthening the sanctions for environmental crimes.

In 1973 Dinkins joined the law firm of Vinson & Elkins, and she became its first female partner in 1980. She also headed a study of coastal management for William Clements when he was governor of Texas.

It was Clements who made contact with the Reagan transition team in 1980 and suggested Dinkins for a federal position. When offered a spot at the Justice Department, she seized the chance. "I felt there had to be people in government who'd see things from the other side. I also felt that there was something I could do to help the president."

## ITALY POSTCARD

## An American Dream

By Henry Kamm

*New York Times Service*

**C**ARMAJONE, Italy — If the Beverly Hills Architectural Review Board in California had not intervened, a super-life-size bronze equestrian statue of John Wayne costumed as a cowboy that is soon to rise on Wilshire Boulevard would be perpetually turning on its pedestal and be painted in living color.

"The people said it really seems to talk to them," Cagnoni said during a visit prior to the statue's departure. "It is beyond anything you've never seen. It is a great marvel."

"You could look at that for long time," said Jackson, dressed as he always is in denim. Steeson is always in denim and worked in this Tuscan town since 1958 and who has made cowboy and Indian bronzes his nearly exclusive and lucrative artistic theme. He is "far the most important artistically, aesthetically, philistically, metaphysically — I've done so far."

Jackson and Wayne became friends in 1969, when the artist created a sculpture of the actor, costumed as a cowboy, for a *Tat* magazine cover.

As he tells of his own career, the artist removed one of the four marble steps leading to the 21-foot monolith consisting of the statue and reliefs of a stampede and the burial of its cowboy victim. Otherwise, the board ruled, the statue would be too tall and would be considered an advertisement for the Great Western Financial Corp., rather than a work of art.

The board also made the sculptor remove a bronze equestrian statue of John Wayne from the entrance to the 21-foot monolith consisting of the statue and reliefs of a stampede and the burial of its cowboy victim. Otherwise, the board ruled, the statue would be too tall and would be considered an advertisement for the Great Western Financial Corp., rather than a work of art.

The author ordered an 18-inch-high flowered hedge to be planted around the work, "to keep vandals off," the 60-year-old Jackson said. "As I designed it, it has such a simple dignity to it that they wouldn't touch it," he added. "To have it revolve is part of the artistic concept. The whole thing is a tremendous infringement of artistic freedom."

Nonetheless, the monument, already stripped of its paint, is now aboard a freighter, on which Jackson hopes it is traveling as John Wayne should — upright, mounted on the open deck, through the Panama Canal en route to Los Angeles for its unveiling on the bank's plaza on July 21.

For the people of this region of Tuscany, who in the past saw much great sculpture because its marble

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